FASCISM
AND SOCIAL REVOLUTION

"*We say to the workers: 'You will have to go through fifteen, twenty, fifty years of civil wars and international wars, not only in order to change existing conditions, but also in order to change yourselves and fit yourselves for the exercise of political power.'*"

MARX (*On the Communist Trial at Cologne*, 1851).

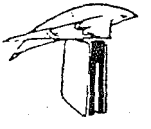
"*The bourgeoisie sees in Bolshevism only one side... insurrection, violence, terror; it endeavours, therefore, to prepare itself especially for resistance and opposition in that direction alone. It is possible that in single cases, in single countries, for more or less short periods, they will succeed. We must reckon with such a possibility, and there is absolutely nothing dreadful to us in the fact that the bourgeoisie might succeed in this. Communism 'springs up' from positively all sides of social life, its sprouts are everywhere, without exception—the 'contagion' (to use the favourite and 'pleasantest' comparison of the bourgeoisie and the bourgeois police) has very thoroughly penetrated into the organism and has totally impregnated it. If one of the 'vents' were to be stopped up with special care, 'contagion' would find another, sometimes most unexpected vent. Life will assert itself. Let the bourgeoisie rave, let it work itself into a frenzy, commit stupidities, take vengeance in advance on the Bolsheviks, and endeavour to exterminate in India, Hungary, Germany, etc., more hundreds, thousands, and hundreds of thousands of the Bolsheviks of yesterday or those of to-morrow. Acting thus, the bourgeoisie acts as did all classes condemned to death by history. The Communists must know that the future at any rate is theirs; therefore we can and must unite the intensest passion in the great revolutionary struggle with the coolest and soberest calculations of the mad ravings of the bourgeoisie.... In all cases and in all countries Communism grows; its roots are so deep that persecution neither weakens, nor debilitates, but rather strengthens it.*"

LENIN (*Left Communism*, 1921).

FASCISM AND SOCIAL REVOLUTION

by

R. PALME DUTT



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INTRODUCTION

A VERY sharp issue confronts present society.

Events move with great speed. The traditional forms of thought still cling to the remnants of past periods.

The victory and advance of Fascism over an extending area has come as a brutal shock to millions. Yet Fascism is no sudden growth. For a decade and a half the whole post-war social development has been incubating Fascism.

To all those who have hitherto accepted as unquestioned the existing social forms and their continuity, and above all to those who have looked to the possibility of peaceful progressive advance within those existing social forms, and who have dismissed the revolutionary outlook as the fantasy of a minority, Fascism, and more especially the victory of Fascism in an advanced industrial country such as Germany, has come as a brutal shock. It may yet prove a salutary shock, if it can open their eyes to the real issues of our period.

With every year, and with every month, that the long overdue social revolution in Western Europe and America, for which the world war of 1914 already gave the signal—that is, the ending of the private ownership of the means of production which inevitably produces the increasing contradictions, anarchy, destruction and barbarism of the present day—is delayed, denied and postponed, the world situation grows more desperate, and the whole future of society is brought into question.

The world war of 1914, the opening of the world socialist revolution in 1917, the partial revolutions and civil struggles succeeding the war, the post-war chaos, the world economic crisis since 1929, and now the victory and advance of Fascism and approach to a second world war—these are the successive warnings of the real issues of the present stage.

Fascism has already been the subject of an enormous discussion and literature over twelve years, and above all over the past two years. Yet the treatment of Fascism has hardly yet brought out its full significance.

On the one side, Fascism has been widely treated as simply the expression of brutality and violence, of militarism and suppression, of national and racial egoism, of the revolt against culture, against the old slogans of liberty, equality and brotherhood.

On the other side, Fascism has been treated as the expression of national rebirth, of the emergence of youth, of the end of decadent liberalism and intellectualism, of the advance to a balanced and organised social order.

In order to get closer to the true character of Fascism, it is necessary to go deeper, to see Fascism in relation to the whole character of modern social development, of which Fascism is an expression and reflection, and above all to get down to the basic movement and driving forces of economy and technique, of which the social and political forms, including Fascism, are only the reflection.

Such an examination will reveal beyond dispute that the modern development of technique and productive power has reached a point at which the existing capitalist forms are more and more incompatible with the further development of production and utilisation of technique. There is war between them, increasingly violent and open since 1914, and entering into a new and extreme stage in the world economic crisis and its outcome. One must end the other. Either the advance of the productive forces must end capitalism. Or the maintenance of capitalism must end the advance of production and technique and begin a reverse movement. In fact the delay of the revolution has meant that the reverse movement has already begun throughout the world outside the Soviet Union.

Only two paths are therefore open before present society.

One is to endeavour to strangle the powers of production, to arrest development, to destroy material and human forces, to fetter international exchange, to check science and invention, to crush the development of ideas and thought, and to concentrate on the organisation of limited, self-sufficient, non-progressive hierarchic societies in a state of mutual war—in short, to force back society to a more primitive stage in order to maintain the existing class domination. This is the path of Fascism, the path to which the bourgeoisie in all modern countries where it rules is increasingly turning, the path of human decay.

The other alternative is to organise the new productive forces as social forces, as the common wealth of the entire existing society for the rapid and enormous raising of the material basis of society, the destruction of poverty, ignorance and disease and of class and national separations, the unlimited carrying forward of science and culture, and the organisation of the world communist society in which all human beings will for the first time be able to reach full stature and play their part in the collective development of the future humanity. This is the path of Communism, the path to which the working masses who are the living representatives of the productive forces and whose victory over capitalist class domination can alone achieve the realisation of this path, are increasingly turning; the path which modern science and productive development makes both possible and necessary, and which opens up undreamt-of possibilities for the future development of the human race.

Which of these alternatives will conquer? This is the sharp question confronting human society to-day.

Revolutionary Marxism is confident that, because the productive forces are on the side of Communism, Communism will conquer; that the victory of Communism, which is expressed in the victory of the proletariat, is ultimately inevitable as the sole possible final outcome of the existing contradictions; that the nightmare of the other alternative, of the "Dark Ages" whose creeping shadow begins already to haunt the imagination of current thinkers, will yet be defeated, will be defeated by the organised forces of international Communism.

But this inevitability is not independent of the human factor. On the contrary, it can only be realised through the human factor. Hence the urgency of the fight against Fascism, and for the victory of the proletariat, on which the whole future of human society depends. The time grows shorter; the sands are running through the glass.

To many, the alternative of Fascism or Communism is no welcome alternative, and they would prefer to deny it and to regard both as rival, and in their view even parallel, forms of extremism. They dream of a third alternative which shall be neither, and shall realise a peaceful harmonious progress without class struggle, through the forms of capitalist "democracy," "planned capitalism," etc.

This dream of a third alternative is in fact illusory. On the one side, it is the echo of the conceptions of a past period, of the period of liberal capitalism, which was already perishing with the advent of imperialism, and which cannot be revived when the conditions that gave rise to it have passed away, in the stage of the extreme decay of capitalism and of the extreme intensification of the class struggle. Even the caricature of democratic forms which is still precariously maintained in the imperialist states of Western Europe and America is increasingly supplemented and displaced by more and more open dictatorial and repressive methods (increase of executive powers, diminution of the role of Parliament, growth of emergency powers, extension of police action and violence, restriction of the rights of speech and meeting, restriction of the right to strike, violent suppression of demonstrations and strikes, combined with the typical methods of social demagogy of the millionaire Press, stampede elections, etc.). The trend of capitalism in all countries towards fascist forms is unmistakable, and is wider than the question of a Mussolini or a Hitler.

On the other side, the dream of a " planned capitalism " is already an unconscious groping after Fascism without facing its logical implications. For in practice the endeavour to realise the self-contradictory aim of a " planned capitalism " can only be pursued along the path of Fascism, of repression of the productive forces and of the working class.

Thus the myth of a third alternative is in fact no alternative, but in reality a part of the advance towards Fascism.

Fascism is not inevitable. Fascism is not a necessary stage of capitalist development through which all countries must pass. The social revolution can forestall Fascism, as it has done in Russia. But if the social revolution is delayed, then Fascism becomes inevitable.

Fascism can be fought. Fascism can be fought and defeated. But Fascism can only be fought and defeated if it is fought without illusions and with clear understanding of the issues. The causes of Fascism lie deep-rooted in existing society. Capitalism in its decay breeds Fascism. Capitalist democracy in decay breeds Fascism. The only final guarantee against Fascism, the only final wiping out of the causes of Fascism, is the victory of the proletarian dictatorship.

Fascism offers no solution of a possible stable social organisa-

tion to replace the existing society in dissolution. On the contrary, Fascism carries forward all the contradictions of existing class society, because Fascism is only a form, a means of capitalist class rule in conditions of extreme decay. Not only that, but Fascism carries forward the contradictions of existing class society to their most extreme point, when the contradictions are laid bare in open civil war and the organisation of the entire capitalist state upon the basis of permanent civil war. Fascism is thus society at war within itself. On this basis, Fascism, so far from being a solution of existing social problems, represents their extreme intensification to the point of final disruption. The only final outcome can be the victory of Communism, because Communism alone contains within itself the solution of the contradictions.

But in the interim period of struggle and transition, if it is prolonged, if Fascism succeeds for a period in organising its basis of civil war and violent reactionary dictatorship, an enormous consequent destruction of material wealth, of human lives and of culture, can take place, and increasingly threatens. Therein is the desperate urgency of the fight, not only for the ultimately inevitable victory of Communism, but for the rapid victory of Communism.

The urgency of the present issues needs no emphasis. All sense the gathering storms. A host of issues, of war, of armaments, of Fascism, of the economic chaos, are taken up. But none of these issues can be taken in abstraction. It is necessary to see them in relation to the whole social development, to the basic issue underlying all these forms, the issue of the rule of the bourgeoisie or of the proletariat, of capitalism or socialism, on which the future of the human race depends.

Present society is ripe, is rotten-ripe for the social revolution. Delay does not mean pacific waiting on the issue. The dialectic of reality knows no standing still. Delay means ever-extending destruction, decay, barbarism. The words of Lenin on the eve of October apply with gathering force to the present world situation: " Delay means death."

May, 1934. R. P. D.

CHAPTER I

TECHNIQUE AND REVOLUTION

IN the issue of the *Automobile Engineer* for March 1931, appeared an article on " The Machine Tool: An Analysis of the Factors Determining Obsolescence."

This article was not written as a criticism of existing society. It was written, with considerable detail statistical calculations, to assist employers or their technical managers to determine under what conditions the installation of new high-production machinery can be profitable. Nevertheless the conclusions reached were in the highest degree revolutionary.

The first conclusion was to the effect that, quoting the words of a paper of Mr. H. C. Armitage to the Institute of Automobile Engineers: " high-production machines that are being developed in America cannot be economically used in this country." The reason given was " because existing British plants can already produce more rapidly than the products can be disposed of. . . . The statement has been made many times that American factories in the main industries could more than supply the world's needs, even if all other supply sources closed down." On this ground, objection was taken to the common complaint of " uninformed critics of British industry" that British employers had fallen behind in the race because of maintaining " hopelessly out-of-date factory equipment."

On the contrary, in fact, the British capitalists knew very well what they were doing when they left their German and American rivals during the decade after the war to install gigantic modern equipment of large-scale production at heavy expense, requiring heavy maintenance costs and an enormous market, while they themselves preferred mainly to concentrate on speeding up and driving harder their labour on relatively older machinery, requiring less maintenance costs and a smaller market; on this basis they have been better able to meet the crisis than their German and American rivals.

The second conclusion went even further and declared that this principle now applied also to American industry:

> The time has now arrived when Mr. Armitage's remarks may be widened to a statement that the latest machine tools now being developed in America *cannot even be economically used in the United States.*

That is to say, the most modern developments of technique can no longer be utilised in even the most advanced countries of capitalism.

The third conclusion provides the complement to the first two. One market, it is pointed out, still remains for the most advanced machine tools. That market is the Soviet Union.

> American machine-tool makers, having a range of equipment sufficient to meet the needs of the American production plants, have supplied to Russia machine tools outside this range, specially designed to obtain still faster production. An excessive price has been demanded for these special machines on the ground that, while the tools show an improvement in output speed on their standard lines, they have no immediate prospects of finding other customers for them, there being no demand outside Russia for faster production than can be obtained with existing models.

Thus, according to the testimony of this technical engineering journal, the most modern developments of technique, making possible the most extensive and rapid production with the minimum of labour, can no longer be utilised in the countries of capitalism, where they have originated, but can only be utilised to-day in the country of socialist construction, in the Soviet Union.

The significance of this present stage of technique and society here revealed—and this example is only one of ten thousand constantly arising in every direction in the present period—requires no emphasis. Here, as in a single crystal, is expressed the whole present stage of the general crisis of capitalism, of the exhaustion of the possibilities of productive advance within the fetters of the old private property ownership, and the necessity of the socialisation of production as the sole condition for further development.

In the situation that this picture reveals lies the real root of the issue of Fascism or Communism. In this situation lies the basic cause why precisely at the present stage of social develop-

ment the issue of Fascism or Communism inescapably confronts existing society.

1. *The Growth of the Productive Forces.*

A century ago, Robert Owen, on the basis of his experience as a successful manufacturer, noted the contradiction between the new social productive labour and the private appropriation of the fruits:

> The working part of this population of 2,500 persons (in New Lanark) was daily producing as much real wealth for society as, less than half a century before, it would have required the working part of a population of 600,000 to create. I asked myself, what became of the difference between the wealth consumed by 2,500 persons and that which would have been consumed by 600,000?
>
> (Robert Owen, *The Revolution in the Mind and Practice of the Human Race*, 1849.)

The contradiction of capitalism was thus already clearly seen by Owen on the basis of his conduct of the model factory of New Lanark from 1800 to 1829. But the criticism remained an idealist criticism. For capitalism in this period, despite all the cruelty and poverty involved in its process, was still ascending; it was still able to organise and develop the productive forces; it was still a progressive factor, carrying through the transformation from wasteful and uneconomic small-scale production to modern large-scale production, and thus preparing the material basis for the future society. The critique of capitalism in this period by Owen and others remained utopian.

The answer to this type of critique of capitalism was provided by Marx in his discussion of a similar line of argument of Proudhon:

> In 1770 the population of the United Kingdom of Great Britain was fifteen millions and the productive population three millions. The scientific power of production would about equal a population of twelve more millions; thus making a total of fifteen millions of productive forces. Thus the productive power was to the population as 1 is to 1, and the scientific power was to manual power as 4 is to 1.
>
> In 1840 the population did not exceed thirty millions; the productive population was six millions, while the scientific power amounted to 650 millions, that is to say, it was to the whole population as 21 to 1, and to manual power as 108 to 1.

In English society the day of labour had thus acquired in seventy years a surplus of 2,700 per cent. of productivity, that is to say that in 1840 it produced twenty-seven times as much as in 1770. According to M. Proudhon it is necessary to put the following question: Why is the English workman of 1840 not twenty-seven times richer than the workman of 1770?

In putting such a question one would naturally suppose that the English had been able to produce these riches without the historical conditions in which they were produced—such as: the private accumulation of capital; the modern division of labour; the automatic workshop; anarchic competition; the wage system, and, in fine, all that which is based upon the antagonism of classes—having to exist. But these were precisely the necessary conditions for the development of the productive forces and of the surplus of labour. Thus it was necessary, in order to obtain this development of the productive forces, and this surplus of labour, that there should be some classes which thrive and others which perish.

(Marx, *Poverty of Philosophy*, I, 3.)

This basic conception of the capacity of development of the productive forces as the measure of a progressive or reactionary social order is no less strongly expressed in Marx's praise of Ricardo:

The reproach moved against him, that he has an eye only to the development of the productive forces regardless of "human beings," regardless of the sacrifice in human beings and capital values incurred, strikes precisely his strong point. The development of the productive forces of social labour is the historical task and privilege of capital. It is precisely in this way that it unconsciously creates the material requirements of a higher mode of production.

(Marx, *Capital*, Vol. III, Kerr edition, p. 304.)

The Marxist critique of capitalism thus basically differs from the utopian school still surviving in the so-called "English Socialism." The Marxist critique recognises the historical role of capitalism in the development of the productive forces. But the Marxist critique laid bare, already nearly a century ago when no other economists or thinkers had the slightest glimmering of the future line of development, that the inner laws of capitalist development would inevitably lead to a stage at which capitalism could no longer organise the productive forces, but could only result in successively more violent crises, stagnation and decay, and at which only the new social class, the proletariat, freed from the limitations of private property, could

alone organise the social productive forces to a higher level. This is the heart of Marxism, whose political expression is the dictatorship of the proletariat as the necessary condition of the solution of the problems of the present epoch.

It is this culminating stage of capitalism that we are at present living through—the stage of imperialism or capitalism in decay, and, more particularly now since 1914, the stage of the *general crisis of capitalism*, or final phase within imperialism, when the forces of production are in ever more violent conflict with the cramping fetters of the existing property relations of production, when capitalism in more and more obvious decay is faced with the advance to victory of the proletarian social revolution, and when capitalism in decay is resorting to every device and expedient to maintain its power.

Let us note first the gigantic growth of the productive forces since the early criticisms of a century ago.

The following table gives the growth of industrial machine-power, omitting motor-transport power, in the past century, in millions of horse power (one horse power is commonly calculated as equivalent to the muscular power of six men).

GROWTH OF INDUSTRIAL MACHINE POWER.
(in million horse power)

	United Kingdom	France	Germany	U.S.A.	Extra-European countries (other than U.S.)	World
1835	0.3	0.02	0.01	0.3	0.01	0.65
1875	6	3	4	7.8	1.9	26.5
1913	28.5	12.5	21	86	31	211
1928	37	18.5	32	162	93	390

(Hausleiter, *Revolution in der Weltwirtschaft*, 1932, published in English under the title *The Machine Unchained*, 1933.)

A century ago, we have seen, it was already complained that productive power had increased twenty-seven times over in England in the previous seventy years without any corresponding improvement in the standards of the workers.

But in the century since 1835 industrial machine power multiplied a further hundred times over in England, and six hundred times over in the whole world—and has ended in mass starvation and unemployment without equal.

In the decade and a half alone between 1913 and 1928 industrial machine power in Europe has increased 50 per cent.,

in the United States 100 per cent., and in the extra-European countries other than the United States 200 per cent.

The inclusion of all forms of power would bring the world total to something like 1,500 million horse power.

On this basis Stuart Chase in his *Machines and Men* (1929) has estimated the machine power of the world as representing the muscular power of 9,000 million additional men, or equivalent to five slaves for every man, woman and child of the human race.

Between 1913 and 1927 electrical power production, according to the report on "Power Resources of the World" presented to the World Power Conference in 1930, increased from 47,000 million units to 200,000 million units. Between the first and second World Power Conferences in 1924 and 1930, electrical output doubled from 150,000 million units to 300,000 million units (*Economist*, 21 June, 1930.)

This expansion of productive power has most strongly affected manufacturing industry, but has also affected agriculture and the output of raw materials, not in equal degree, but far outstripping the growth of human population.

Already by 1890, according to Hausleiter (*op. cit.*) the costs of agricultural production in the great Grain Circle (United States, Canada, Argentine, Australia) had been reduced by mechanisation to one quarter of the costs of the old production by hand-labour in 1830.

Between 1890 and 1921, according to the report of the Senior Trade Commissioner in Canada for May 1930, further mechanisation of agriculture and extension of the area of cultivation had multiplied the yield of wheat per agricultural worker fivefold:

> Mr. Field lays great stress on the rapidity with which power-driven machinery is displacing labour in Canadian agriculture. Whereas in 1890 13½ bushels of wheat were grown for each rural dweller, there were seventy in 1921; and as the most revolutionary machine, the combined reaper and thresher was only introduced in 1924, the output per worker must now be a great deal higher. Moreover, the scope for the mechanisation of agriculture has by no means yet been fully exploited.—(*Economist*, September 8, 1930).

Between 1920 and 1929 the number of tractors in the United States increased from 246,000 to 843,000 (*U.S. Yearbook of Agriculture*, 1930).

Between 1900 and 1924-8 the harvests of all cereals increased in Australia 104 per cent., in the Argentine 172 per cent., and in Canada 330 per cent. Between 1913 and 1928 the volume of world grain exports increased 147 per cent. In the same period world population increased 11.6 per cent.

The old ignorant Malthusian notions of absolute "overpopulation," or the modern lugubrious chants of birth-control as the necessary solution of poverty, are thus abundantly exploded by facts. It is worth noting that this reactionary propaganda is still maintained, not only in clerical and conservative quarters, but also by the would-be "progressive" (actually, as we shall have occasion to see, one of the real bulwarks of conservatism in England) Labour Party. The Labour official organ writes:

> The figures published by the League of Nations show that the world population, already 2,012,000,000, is increasing by 20,000,000 a year.
>
> That means that unless the rate of increase is checked, it will have doubled in far less than a century; for the increase is, as it were, at compound interest.
>
> There is not the least reason for assuming that the "march of progress" will automatically provide ways and means of feeding and supporting that doubled population.
>
> There is only too much evidence—in India and China for example—that the overcrowding of a too big population brings with it appalling conditions of misery.
>
> Either an unendurable suffering, or the "natural checks" of famine and pestilence and a high death rate. Or, on the other hand, a deliberate and conscious lowering and controlling of the birth rate.
>
> Those are the alternatives that face humanity.
>
> (*Daily Herald* editorial, August 8, 1932.)

Fortunately, these are not the alternatives that confront humanity to-day. The alternatives that confront humanity to-day are serious enough; but they are alternatives of the destruction and anarchy of capitalism, involving still greater poverty and misery in the midst of abundance and rising productive power, or the social organisation of production, bringing abundance for all. The "overpopulation" (like the simultaneous "overproduction") is only relative to the capitalist conditions of production. Against this reactionary and vicious propaganda, concealing under cover of obsolete clerical superstitions the true social causes of poverty and misery (concealing

also, characteristically enough, the role of imperialism in India in creating poverty) may be quoted the opinion of the leading international statistician, Sir George Knibbs, who estimated that even with present resources and technique the earth could easily maintain four times the present population at a good standard.

> The late Sir George Knibbs . . . estimated after a careful survey that the earth could well support a population four times as great as at present, or about eight thousand million.
>
> (Dr. R. A. Fisher, of the Statistical Department of the Rothamstead Experimental Station, *Spectator*, March 7, 1931.)

The facts of the crisis show a very different picture to the cant of "overpopulation" outstripping natural resources. Already by 1925, according to the reports presented to the 1927 International Economic Conference at Geneva, despite the destruction of the world war, world production of foodstuffs and raw materials had risen over pre-war by 16 to 18 per cent., against an estimated increase of population by 5 per cent. Between 1913 and 1928, according to the League of Nations Economic Section, world production of foodstuffs and raw materials had increased by 25 per cent., of foodstuffs by 16 per cent., of raw materials by 40 per cent. (of industrial products enormously more), against an estimated increase of world population by 10 per cent.

World stocks of primary products, on the basis of 1923-5 as 100, increased by the end of 1926 to 134, by 1928 to 161, by 1929 to 192, by 1930 to 235, by 1931 to 264, and by the end of 1932, despite all the destruction of stocks, still stood at 263, or more than two and a half times the volume of eight years before (*Economist*, May 6, 1933). World stocks of manufactures showed a less overwhelming accumulation only because "the existence of a large volume of unemployed but immediately available factors of production" has the same effect in the sphere of manufactures "corresponding to that exercised by enormous stocks of primary products" (*ibid.*, May 13, 1933).

The growth of production in every direction, whether of foodstuffs, raw materials or manufactures, has thus greatly exceeded the growth of world population. And the increase of productive power, which has only been partially and incompletely used under capitalist conditions, with many artificial

limitations and restrictions, has been in reality enormously greater than the actual growth of production.

But this gigantic increase of productive power has outstripped the capacity of capitalism to organise it.

The outcome of this gigantic increase of productive power has been world crisis, stagnation and closing down of production, mass unemployment, mass impoverishment and the lowering of standards, on a scale without parallel since the beginning of capitalism, accompanied by growing social and political disturbance and recurrent war.

This problem is the basic problem confronting present-day society.

2. *The Conflict of the Productive Forces Against Existing Society.*

This is the world situation which reveals that the system of capitalist relations, the capitalist class ownership of the means of production, has outlived its progressive role, and has become a fetter on the organisation of production.

The world war was the beginning of the violent explosion of this conflict, of the conflict between the ever-growing productive forces and the limits of existing property-society. Since 1914 we have entered into a new era, the era of the general crisis of capitalism and of the advance of the world socialist revolution.

The world economic crisis which opened in 1929 has brought these issues of the present stage of society, and of the basic economic contradictions underlying them, more sharply to the general consciousness than ever before. But the significance of this world economic crisis is commonly seen through too narrow spectacles. It is seen as a special temporary disorganisation breaking in on an otherwise harmonious and smoothly working economic mechanism. Alike in the pessimistic and the optimistic readings of its significance the proportions have tended to be lost. Just as the extreme low depths of depression produced almost universal utterances of pessimism and apocalyptic gloom from the leaders and professors of capitalism, so the first signs of an upward movement produced a universal sigh of relief and reprieve, as if the worst were over and all might yet be well again. In fact, " the devil was sick."

But the real significance of the world economic crisis, which has so greatly exceeded in its scope all previous economic crises,

can only be correctly understood in relation to the whole development of capitalism, and in particular the development of capitalism during the last two decades—that is, in relation to the *general crisis of capitalism* which opened in 1914.

The general crisis of capitalism should not be confused with the old cyclical crises of capitalism which, although demonstrating the inherent contradictions of capitalist relations, nevertheless constituted an integral part and direct factor in the ascent of capitalism. The cyclical crises, as illustrated in 1920-1 and 1929, continue, but take on a new and intensified character in the period of the general crisis.

The old cyclical crises were, according to Marx, " always but momentary and forcible solutions of the existing contradictions, violent eruptions, which restore the disturbed equilibrium for a while " (*Capital III*, p. 292). Their characteristic feature was to *solve* the contradictions, albeit by anarchically violent and destructive means, to *restore the equilibrium*, and permit of the resumption of production on a *higher* plane. They weeded out the smaller and less efficient concerns; they wiped out a portion of capital values in order to save the remainder; they effected a concentration of capital; they compelled a drive to open up new markets. On this basis they permitted, after a relatively short period, the resumption of capitalist production at a higher level.

Elements of this character can also be traced in the post-war world economic crisis; but these " progressive " elements are overshadowed by the major, negative effects of the whole process of the development of the cyclical crisis on the basis of the general crisis of capitalism, in the consequent destruction of stabilisation and hastening of revolutionising processes.

For the general crisis of capitalism admits of no such solution. The domination of the imperialist Powers has already been expanded to its maximum extent throughout the world; monopoly capitalism, which had already divided up the greater part of the world by the beginning of the twentieth century, and by 1914 was at war over its re-division, is now faced with a still sharper situation of contradictions, not only between the imperialist Powers, but also between imperialism and socialism. So far from there being available new regions to open up, one sixth of the world has passed out of the sphere of capitalism into that of the social revolution; the colonial peoples are rising in revolt; the world available for capitalist exploitation has begun

to *contract*. At the same time the growth of productive power is greater than ever, the extreme crisis, competition and war forcing forward technical development at an unheard of pace. Under these conditions there is no room for a harmonious solution, but only for ever more violent conflict. The upward movements within the general crisis become ever shorter; depression becomes the normal, broken by short upward movements and violent social and political explosions; the recurrence of the old cyclical crisis within the general crisis takes on a new intensity.

The general crisis of capitalism has now continued for twenty years without a break, only changing one form for another. The violent explosion of the world war only gave place to the still more profound struggle of revolution and counter-revolution throughout the world. The defeat of the revolution in the countries outside the Soviet Union brought no solution and peaceful development, but only laid bare the post-war chaos of capitalism. The temporary stabilisation and upward movement of the middle 'twenties proved only a false and illusory stabilisation; "the prosperity of the period 1923-29 was to a large extent illusory; and the seeds of future trouble had already been sown" (British Government Note to the United States, December 1, 1932). Its only outcome was the new form of the basic contradiction expressed in the extreme world economic crisis which began in 1929 and continues now in its fifth year. This in its turn breaks out into new and violent explosions in the spread of Fascism and the visibly approaching second world-war.

Already in the closing years of his life Engels noted the approach of a new era: "there is now no doubt that the position has changed fundamentally by comparison with formerly"; "we have entered upon a period much more dangerous for the old society than that of the ten-year cycles"; "the crises become chronic" (Engels, letter to Bebel, January 20, 1886). In 1909 Kautsky, writing then as a Marxist theorist, in his *Path to Power*, exposed the revisionist illusions of gradual and peaceful progress, and demonstrated the now close entry of capitalism into a period of violent explosions. In 1916 Lenin in his *Imperialism* laid bare the foundations of the new period as the period of monopoly capitalism, in which all the contradictions come to a head, of decaying capitalism, of the eve of the

socialist revolution, the period which broke into violent explosion in 1914.

Up to 1913 capitalist production, despite the increasing tendencies of decay already visible in imperialism, was still able to maintain an almost continuous ascending line.

> For many decades before the war, world production, according to the best estimates available, increased with remarkable regularity of trend, broken only in minor degree by successive crises. This trend of increase ran through both the period of declining prices from 1873 to 1895, and the period of rising prices from 1895 onwards.
>
> (League of Nations *World Economic Survey 1932-3*, p. 68.)

Between 1860 and 1913, according to the tables presented in this publication, world production of basic commodities ascended in an almost continuous line and multiplied from four to five times. World industrial production ascended in an almost continuous line and multiplied over six times.

But the twenty years since 1914 reveal a different picture.

> If the line of trend from 1860 to 1913 is extended to 1932, the rather startling conclusion is reached that the index of world production, on the hypothesis that nothing had occurred to alter its regular upward trend for the fifty preceding years, would to-day be rather more than twice as great as it actually is. (*ibid.*, p. 82.)

The present world economic crisis is without precedent:

> There is no precedent for such a marked decline. Statistical series ranging back to 1860 fail to reveal any previous period in which the decline in either raw material production or manufactures has been so precipitate or so severe. Independent estimates agree that in 1932 the level of industrial production in the world as a whole fell below that of 1913. (*ibid.*, p. 82.)

Thus the war and post-war period, taken as a whole, reveals the first large-scale absolute setback of capitalist production.

The attempt is often made, on the basis of the above facts and figures, to argue that, since 1914 appears as the great dividing point, therefore the war is the cause of all the present maladies. Comparisons are sometimes made to the post-Napoleonic period of unsettlement, revolutionary unrest and the industrial revolution; and the inference is drawn that the troubles of the present period are also troubles of post-war unsettlement and of the "second industrial revolution,"

heralding a no less great expansion within the forms of capitalism.

This very superficial approach to the real historical movement of two entirely different periods, and to the crux of modern world problems, is demonstrably incorrect both in fact and in reasoning.

In the first place, no comparison is possible between the post-Napoleonic period of young and ascending capitalism and the twentieth century period of old and declining capitalism. Fifteen years after the Napoleonic wars, production, trade and employment were gigantically above the pre-war level; capitalist society was bounding forward. Fifteen years after the war of 1914-18 production, trade and employment are actually below the pre-war level; capitalist society is in a greater dilemma than ever, greater than even in the period succeeding the war. The dislocation, instead of diminishing as the war recedes, actually increases; it is greater fifteen years after the war than it was ten years after the war. It is obvious that some deeper factor is at work than the disturbances consequent on the war. At the same time, the social and political issues of the two periods are basically different. The issue of the first half of the nineteenth century was still the issue of the bourgeois revolution, which swept forward through the processes of the Napoleonic wars and after, despite the seeming victories of reaction. The issue of the first half of the twentieth century is the issue of the proletarian social revolution, which began its advance in the conditions of the war of 1914-18, and which maintains its growing strength in the midst of the capitalist reaction.

In the second place, it is not correct that the division between before 1914 and after 1914 is a simple and absolute division between the ascent and the descent of the level of production. On the contrary, the actual level of production in 1927-9 was for the short period of the boom higher than the pre-war level; the real growth of the contradictions, which was to find expression in the subsequent slump falling below the pre-war level, lay elsewhere. The true measure of the decline and bankruptcy of the existing capitalist order lies, not in any simple arithmetical figures of the level of production, but in the growth of the contradictions of the existing society to bursting point, in the growth of the contradiction between the potential pro-

ductive power and the actual production, between the conditions of existence of the bourgeoisie and of the proletariat, between the rival imperialist Powers, and the consequent expression of these in social and political explosions. It is in this sense that the general crisis of capitalism dates from 1914, but its causes lie in the whole conditions of the imperialist epoch.

Finally, and in consequence of the above, the world war of 1914-18, so far from being the cause of the crisis of capitalism, was on the contrary itself only an expression and breaking out of the crisis—a link in the chain of imperialist development. The war was no arbitrary, accidental unforeseeable first cause, suddenly breaking in from nowhere to change the whole course of development. It was the direct consequence of the conditions of imperialism, which was itself the direct outcome of the previous nineteenth-century capitalist epoch. It was fully foreseen, and even predicted in detail for years beforehand, as the outcome of the growing tensions of imperialism. Its outbreak coincided with the gathering industrial crisis which was already beginning in America in 1913, and spreading therefrom to hover menacingly over Europe. As the war-leader, Lloyd George confessed nearly twenty years after, the war appeared as the way out from the gathering crisis, which he is now convinced would have in any case developed, even had the war not broken out at that point:

> If we had not had a great war, if we had gone on as we were going, I am sure that sooner or later we would have been confronted with something approximately like the present chaos. There must be something fundamentally wrong with our economic system, because abundance produces scarcity.
>
> (Lloyd George, speech at Cambridge, *Manchester Guardian Weekly*, April 7, 1933.)

The fact that the dynamic of capitalist development, even after the direct destruction caused by the first world-war has been repaired, only reverts to the recurrence of still more gigantic economic crisis and the visible approach to a second world-war, shows how little of " accident " there was in the basic development of capitalism through imperialism to world war, however large the role of " accident " may appear to be in the particular historical manifestations of the process.

In order to understand the problems of the present epoch of the general crisis of capitalism, it is essential to be able to see

deeper than the immediate surface manifestations and episodes, whether of the world war of 1914 or the world economic crisis of 1929, and to understand these in relation to the general line of development, of which they are expressions. The general crisis of capitalism, the conflict of the productive forces against the existing relations of production, expresses itself in a whole series of successively growing conflicts and explosions, up to the final victory of the proletarian social revolution. It is in relation to this development of the general crisis of capitalism that Fascism is a further stage and episode.

3. *Productivity and Unemployment.*

The development of the productive forces has rendered the old class-society obsolete.

Already before the end of the war the leading trust magnate, Lord Leverhulme, estimated that, if the then existing productivity were organised, one hour's work per week of all citizens would provide the necessaries of life for all:

> With the means that science has already placed at our disposal, we might provide for all the wants of each of us in food, shelter and clothing by one hour's work per week for each of us from school age to dotage.
>
> (Lord Leverhulme: Preface to Professor Spooner's *Wealth from Waste*, Routledge, 1918.)

That was fifteen years ago. In the intervening decade and a half, according to the engineer, J. L. Hodgson, in his paper on "Industrial and Communal Waste" before the Royal Society of Arts on June 20, 1932, in the course of which he quoted and accepted Lord Leverhulme's statement, "since that date our average potential productivity has nearly doubled." One half-hour's work per week should thus provide a minimum standard for all, and one hour's work per week an overwhelming abundance.

Why should this almost immeasurable increase in productive power and the possibility of universal abundance result in universal impoverishment and lowering of standards?

This is the question that confronts the whole human race, that is becoming a life and death question for the nineteen hundred million human beings of the capitalist world outside the Soviet Union, to which these hundreds of millions must find the answer or go down in catastrophe.

It is evident that what is here in question is no natural or technical causes, but only social causes—that there is no social organisation of production.

This question is sharpened by the contrast of the productive increase in the Soviet Union alongside the actual decline of capitalist production. Between 1925 and 1932 industrial production in the Soviet Union (on the base of 1925-9 as 100) increased from 59 to 240; the corresponding figure for the United States decreased from 95 to 58, for Britain from 99 to to 86, and for Germany from 89 to 66 (League of Nations *World Production and Prices, 1925-1932*, p. 49). Between 1929 and 1932 industrial production in the Soviet Union increased by 65 per cent. and in the capitalist world as a whole decreased by 37 per cent. (League of Nations *World Economic Survey, 1932-1933*, pp. 85 and 71).

The most glaring and direct living expression of this present stage of the contradiction between the growth of the productive forces and existing society is the spread of mass unemployment throughout the capitalist world, already before the onset of the world economic crisis, and reaching a total at the height of the world economic crisis, in 1933, according to official figures, of thirty millions, and according to unofficial figures of fifty millions.

Britain, the oldest capitalist country, and the most advanced in decay, first reached this basis of permanent mass unemployment. This situation revealed itself in the winter of 1920-21, and has continued up to the present without a break; in the beginning of 1933 the Chancellor of the Exchequer staggered the House of Commons by announcing that he calculated on the continuance of such mass unemployment for the next ten years. The other countries in the succeeding years reached a similar and even more extreme basis (running at the highest point to eight millions in Germany and fourteen millions in the United States).

Unemployment at a certain level has always been present in capitalism. The development of production in capitalist conditions has always displaced workers and independent producers, and thus created the industrial reserve army which was indispensable to meet the fluctuations of capitalist production and to maintain the proletariat in subjection. But this industrial reserve army was a part of the machinery of expanding

capitalist production; the absolute number of productive workers employed successively grew. It is only since the war that the new phenomenon appeared of a permanent unemployed army, grudgingly kept just alive at the lowest level of subsistence by the bourgeoisie, while the absolute number of productive workers employed has directly decreased.

Of the possibility of such a stage of chronic unemployment and absolute decline of the productive workers, Marx wrote:

> A development of the productive forces which would diminish the absolute number of labourers, that is, which would enable the entire nation to accomplish its total production in a shorter time, would cause a revolution, because it would render the majority of the population superfluous.
>
> (Marx, *Capital*, III, p. 309.)

Engels wrote in 1886:

> America will smash up England's industrial monopoly—whatever there is left of it—but America cannot herself succeed to that monopoly. And unless *one* country has the monopoly of the markets of the world at least in the decisive branches of trade, the conditions—relatively favourable—which existed here in England from 1848 to 1870, cannot anywhere be reproduced, and even in America the condition of the working class must gradually sink lower and lower. For if there are three countries (say, England, America and Germany) competing on comparatively equal terms for the possession of the world market, there is no chance but chronic overproduction, one of the three being capable of supplying the whole quantity required.
>
> (Engels, letter to Mrs. Wischnewetzky, February 3, 1886, reprinted in *Briefe von Becker, Dietzgen, Engels, Marx an Sorge und Andere*, Stuttgart, 1921, p. 210.)

To-day we are face to face with this situation. The position in America is reported as follows:

> The United States Commissioner for Labour Statistics recently stated that if 200 out of the 1,357 boot and shoe factories in the country worked full time, they could satisfy the whole existing demand, and the remaining 1,157 establishments could be closed down. Similarly, 1,487 out of the 6,057 bituminous coal mines could produce all the coal that was needed.
>
> (H. B. Butler in the *International Labour Review*, March 1931.)

Between 1919 and 1927 factory output in the United States rose from 147 to 170, on the basis of 1914 as 100, while the

employment index fell from 129 to 115 (*Times*, March 8, 1930). Between 1919 and 1929 the Federal Reserve Board index of industrial production (1923-5 as 100) rose from 84 to 119; while the number of industrial wage workers fell from 9,039,000 to 8,742,000 (*United States Statistical Abstract*, 1932). This absolute decline in employment was before the collapse, during the great upward boom.

Britain reveals a similar picture. Between 1913 and 1928 the increase in output per head of workers employed in thirty principal industries in Great Britain was 33 per cent., but the increase in employment was 2.2 per cent., or less than the increase in population (*Times Trade Supplement*, July 23, 1932). Still more marked is the process if the post-war period is taken alone. Between 1923 and 1928 the number of insured workers in employment fell from 8,368,000 to 7,898,000; the index of production (London and Cambridge Economic Service, based on 1913 as 100) rose from 88.7 to 96.3. Production rose 7.6 per cent.; employment fell 5.6 per cent. And all this before the world economic crisis began to make the heaviest effects of the process felt.

What is to happen to the " superfluous " workers? For long, the old theory of " alternative employment " was still endeavoured to be put forward as applicable to this situation. The decline in the industrial productive workers was to be " compensated " by the increase of auxiliary " services " and luxury occupations (clerical, distributive, advertising, commercial, and luxury services). Certainly, a very considerable increase in these auxiliary and in the main non-productive occupations is to be traced in the United States, Britain and other countries during the post-war period, thus providing the basis of the rapid expansion of the so-called " new middle class," which became one of the breeding-grounds of Fascism; just as the growth of the permanent unemployed army provided a further breeding-ground. The expansion of the rentier class on the one side, and of luxury services and endlessly multiplied " salesmanship " services on the other, is a measure of the degeneration of capitalism.

The capitalist mode of production, while on the one hand enforcing economy in each individual business, on the other hand begets by its anarchical system of competition the most outrageous squandering of labour power and of the social means of production,

not to mention the creation of a vast number of employments at present indispensable, but in themselves superfluous.

(Marx, *Capital*, I, p. 540.)

Nevertheless, this supposed " compensation " was soon revealed as a doubtful solution. In the first place, it was manifestly no solution for the millions of miners and heavy industry workers thrown out of work. In the second place, the extent of " compensation " had obvious limits which were soon reached. For in these occupations, too, rationalisation begins to get to work and to repeat the process of throwing off the superfluous workers. Mechanisation transforms clerical work, and begins increasingly to replace clerks by more and more elaborate calculating and book-keeping machines; centralisation cuts down the number of competing businesses; staffs are reduced. The " white-collar workers " also find themselves increasingly thrown on the market alongside their industrial brothers.

Increasing doubts of the whole process and its outcome, as well as of the stock explanations and solutions, found expression in an editorial of the London *Times* in 1930 on " American Unemployment " (characteristically endeavouring to treat the problem as an " American " problem, but in fact describing equally unemployment in Britain):

It is difficult to avoid the conclusion that unemployment must henceforth be counted as a permanent American (!) problem. To ascribe its occasional recurrence in an acute form to some special event is no less delusive than to explain it as a merely " seasonal " manifestation. . . . The experience of recent years has gone to prove that recovery is less and less complete after each crisis, and to show that forces other than the seasonal and the accidental are at work. There is little reason to doubt that permanent unemployment is to-day the lot of an always growing number of American (!) men and women.

On this basis doubt is expressed of the whole system of " mass-production," i.e., of capitalist large-scale production:

The advantages residing in a system which relies on the mass production of standardised articles deserve more critical examination than they have yet been given.

The current answers of " the apologists of the system," that the reduced costs of production and therefore reduced price means

increased demand and consequent re-absorption of the unemployed, are " no longer altogether convincing ":

> It is still doubtful whether the increased production can always be absorbed; it is a very large question whether new industries are created quickly enough to employ the displaced workers. In other words, it remains to be seen how perilously the machine has run ahead of man, and whether some re-adjustment of social condition may not ultimately be imperative. The question drives like rain to the roots of American (!) life. (*Times* editorial, March 8, 1930.)

Under the thin disguise of " America " it is obvious that " the question drives like rain to the roots " of capitalism in all countries, and not least in Britain, with its longest record of permanent mass unemployment.

What prevents capitalism from carrying out the alternative solution universally proposed by all the myriad schools of reformers of capitalism (reformist socialists, social credit theorists, currency reformers, etc.)—i.e., the general raising of the standards of the workers to a point compatible with the consumption of the increased production alongside higher profits for the capitalists? The answer why capitalism is unable to carry out this apparently simple solution, but is in fact actively engaged in carrying out the opposite, lies in the whole character of capitalism. The reformist dream of grafting on to the capitalist mode of production an entirely different and incompatible system of distribution (whether by legislative means, raising wages, social services, a " national dividend," or the like) only reveals its advocates' failure to understand the elementary workings of capitalism and the necessary conditions of the capitalist mode of production. The reformists apply in their fantasy the conceptions of an organised society directly to the jungle of capitalism, which, by the very conditions of private property and production for profit, cannot follow the principles of an organised economy, but can only follow entirely different laws. In fact, even the very limited measure of social reform which could be achieved, under the pressure of the working class, in the conditions of ascending capitalism become increasingly circumscribed and even in part diminished and withdrawn in the conditions of declining capitalism and of the capitalist crisis.

The realities of capitalism are both in fact and in iron necessity entirely different. The greater the crisis, the greater

becomes the need of the rival capitalist concerns to *lower the costs of production*, to increase the rate of exploitation, to drive the dwindling number of employed workers harder, to attack the workers' standards and the social services, in order to compete more successfully for the dwindling market. At the same time the growth of unemployment facilitates these attacks. The development of the crisis has been accompanied in every country by successively renewed and intensified attacks on the workers' standards. The authentic voice of capitalism is the voice of the American capitalist magnate, Owen D. Young, the sponsor of the Young Plan, when he declared: " Let no man think that the living standards of America can be permanently maintained at a measurably higher level than those of the other civilised countries " (*Economist*, April 12, 1930.)

The Roosevelt " experiment," which has skilfully utilised the reformist propaganda of higher standards as the solution of the capitalist crisis, but utilised it in fact for the exactly opposite purpose to carry through intensified exploitation and lowered standards (just as President Wilson of old utilised pacifist propaganda for the purposes of war), is proving in practice, as we shall later have occasion to see, only a more complete demonstration of this reality.

The growth of productivity has been accompanied, not by an increase of the workers' share, but by a *decrease* of the workers' share. Between 1913 and 1928 the percentage of the national income going to wages fell in the United States from 36.4 to 36, and in the United Kingdom from 42.7 to 40.9 (*World Economic Survey, 1932-3*, p. 101). In the United States, between 1921 and 1927, the value of the product of industry rose from 18.3 thousand million dollars to 27.5 thousand million dollars (U.S. Department of Commerce, Census of Manufactures); but in the same period the percentage of the value of the product of industry going to wages and salaries fell from 58.7 per cent. in 1921 (54.2 per cent. in 1914) to 51 per cent. in 1927 (P. H. Douglas, *Real Wages in the United States*). In Great Britain, between 1924 and 1930, according to Colin Clark's *The National Income 1924-31*, the output per person employed rose from 100 to 113, while the proportion of wages to home-produced income fell from 41.5 per cent. (42.5 per cent. in 1911) to 38 per cent.

The effect of the world economic crisis has been, not to

reverse this process, but to carry it enormously further forward. The drive to rationalisation, to speeding up, to extracting a still higher output per worker for less return, has been intensified under the conditions of the crisis. Between 1929 and 1932 the output per man-hour has actually been forced up by 12 per cent. in the United States, alongside twelve million unemployed!

> Labour costs per unit of output have been substantially reduced by an improvement in productive efficiency. The output per man-hour in the United States increased by about 12 per cent. between 1929 and 1932.—(*Economist*, May 5, 1933.)

It is obvious that the effect of this is still further to intensify the contradiction which already led to the economic crisis.

In the face of these facts increasing doubts begin to assail the capitalists whether there can ever be full-scale employment again, even if the extreme intensity of the crisis of 1929-33 should give place to a considerable upward movement. Thus it is reported from America:

> American employment reached its highest point in 1918, American production in 1929, and it is carefully and accurately computable to-day that if by some magic a return could be made to the productive maximum of three years ago, there would still be no work for 45 per cent. of the present twelve million unemployed.
>
> (Washington Correspondent of the London *Times*, November 2, 1932.)

From Britain comes the same tale:

> If the 2½ millions of unemployed were absorbed in factory occupations, the national output of manufactured articles would be on such a scale that the available buying markets . . . would be inadequate to absorb it. Hence, if such a method of labour absorption could and did take place, it would only precipitate a new crisis.
>
> (*Times Trade Supplement*, July 23, 1932.)

Such are the alternatives which begin to be seen by the capitalists, even if the present crisis should give place to the most extensive upward movement.

Either continued mass unemployment of millions, even if " by some magic " the record level of the previous production boom could be attained.

Or, if all the unemployed are absorbed into productive labour, then inevitably the immediate precipitation of a new crisis.

As this new situation begins to be realised, the beckoning phantom of a new world war as the only "solution" to utilise the productive forces and wipe off the "superfluous" population begins to exercise a visibly increasing attraction on capitalist thought and policy as the final gamble.

Nearly a century ago Engels wrote of the necessary consequences of the inevitable future breakdown of the British capitalist monopoly: "Should English manufactures be thus vanquished . . . the majority of the proletariat must become forever superfluous and has no other choice than to starve or to rebel." (Engels: *Condition of the Working Class in England in* 1844, Ch. xi.)

In 1932, eighty-seven years later, the British Prime Minister spoke in the House of Commons of the prospect, even if trade should recover and prosperity return, of having to find "great bodies of men and women, perhaps even amounting to a couple of millions, to be, to all intents and purposes, in our society, superfluous scrap." (J. R. MacDonald in the House of Commons, November 22, 1932.)

In 1933 the leader of British Conservatism had to make the same melancholy admission:

> There is the great core of unemployment. We do not know what the numbers may be. There may be a million, a million and a half, or less than a million; but there will be a vast number for whom there is but little hope of employment being found in this country. The gates of migration are closed against us. What can we do? That is a problem that has baffled the country completely up to now.
>
> (Stanley Baldwin in the House of Commons, November 27, 1933.)

"*What can we do?*" This is the final answer of what was once the most powerful capitalism in the world, when faced today with the problem of millions who seek only to work and live.

There could be no sharper expression of the bankruptcy of capitalism than when, in the midst of wealth and unexampled productive power, it can no longer even find the means to exploit a growing proportion of its slaves, and is compelled to proclaim millions of human beings, living, strong, and able and willing to labour, as "superfluous scrap." The time draws close for the second half of the alternative—"to rebel"—as the only solution for the extending millions of producers cut off from production, no less than for the millions whose growing output is accompanied by growing poverty.

4. *The Alternative—Social Revolution or Destruction.*

The alternatives which confront society at the present stage are thus clear.

Capital can no longer utilise the productive forces. Capital can no longer utilise the full labour-power of the productive population. Monopoly capitalism is more and more visibly choking the whole organisation of production and exchange.

The working masses can no longer find even the former limited conditions of existence within the conditions of capitalism. Increasing millions are thrown aside as "superfluous." The standards of all are successively attacked. Intensification of labour of the dwindling numbers employed is accompanied by worsening of standards.

The class struggle grows more intense. New forms of widening mass struggle develop. New and intenser methods of repression and coercion are brought into play by the ruling class.

Against this situation the knowledge and understanding, which begins to grow more and more widely spread, of the scientific and technical possibilities of unlimited production and abundance for all, confronts existing society like a mockery and a torment: creating on the one side, among a growing section of the dispossessed, revolutionary anger and determination; creating on the other side, among the doomed possessing classes, growing desperation and recklessness, the revolt against science, the revolt against mechanical technique, and readiness to embark on ever more frenzied courses of violence and destruction.

Two alternatives, and only two, confront existing society at the present stage of development of the productive forces and of social organisation.

One is to throttle the development of the productive forces in order to save class-society, to destroy material wealth, to destroy millions of "superfluous" human beings in the slow rot of starvation and the quick furnace of war, to crush down the working-class movement with limitless violence, to arrest the development of science and culture and education and technique, to revert to more primitive forms of limited, isolated societies, and thus to save for a while the rule of the possessing classes at the expense of a return to barbarism and spreading decay. This is the path which finds its most complete and organised expression in Fascism.

The other is to organise the productive forces for the whole society by abolishing the class ownership of the means of production, and building up the classless communist society which can alone utilise and organise the modern productive forces. This is the path of Communism, of the revolutionary working class.

The issue of these two paths is the issue of the present epoch.

It is to the former of these two alternatives that the existing capitalist world is to-day moving at an increasing pace, and to which it will more and more visibly develop in the period ahead, if the revolutionary working class does not succeed in time in saving the whole future of civilisation and of human culture.

CHAPTER II

THE END OF STABILISATION

THE technical and economic situation described in the previous chapter finds its social and political expression in the storms of the present epoch, in the world war, in the revolutionary struggles, in the world economic crisis, in the advance to renewed world war and in Fascism.

The objective conditions for the social revolution were ripe already from the beginning of the period of imperialism, and more particularly since the opening of the general crisis of capitalism in 1914.

But the living human factor was not yet ready. The minds of men were still dominated by the conceptions of the past epoch. The bursting of the contradictions in the world war and after broke on the majority of men like a natural catastrophe. The first aim was widely proclaimed on all sides to resume the broken thread of pre-war continuity.

The proletariat in the leading capitalist countries, although advancing to social revolution, was not yet strong enough, not conscious enough, not organised enough, to overthrow the rule of the capitalist class. The revolts of the proletariat after the war, although drawing close to success and profoundly transforming the political situation, were finally defeated in all countries outside Russia.

The capitalist class, having overcome the immediate menace to its rule, set itself the aim to restore the shaken mechanism of capitalist production and exchange, to return to "pre-war" or "normalcy."

The proletariat, following the leadership of Social Democracy, after the defeat of the revolution, sought to win improved conditions within the capitalist restoration.

On this basis was built up the capitalist restoration or temporary "stabilisation" of 1923-9. The illusory character of this basis, which sought to resurrect the vanished conditions of the old pre-war capitalism, was not at first realised by any save the Marxists.

Only when a new cycle of capitalism on this basis had resulted with extreme speed in a more intense crisis than ever before, shattering one by one all the pillars of "stabilisation," did the recognition begin to become universal on all sides that the old conditions were passed beyond resurrection, and that fundamental issues of social, economic and political organisation would have to be faced.

From this point stabilisation ends, and a transformation begins to develop in the whole of capitalist policy and in the consciousness of the proletariat. Social Democracy, which had shared in the boom of capitalist restoration, goes through a series of inner crises, and weakens before Communism. Fascism, which had previously developed only in an experimental stage in a secondary capitalist country, now comes to the front as a world factor, dominating directly a major capitalist country, as well as in greater or less degree a whole series of other countries, and revealing itself as the most typical expression of modern capitalist policy.

1. *The Last Attempt to Restore Pre-war Capitalism.*

The basis of the attempted capitalist restoration after the war was the defeat of the proletarian revolution outside Russia. To this objective the principal concentration of world capitalist policy was directed in the period immediately after the war. This primary preoccupation was true, not only of the governments of Central Europe, where the revolution came closest to victory, but above all of the governments which held the world leadership of capitalism, of Britain, France and the United States. Thus Hoover declared in 1921—

> The whole of American policies during the liquidation of the Armistice was to contribute everything it could to prevent Europe from going Bolshevik or being overrun by their armies.
>
> (Hoover, letter to O. Garrison Villard, 1921, reprinted in the New York *Nation*, December 28, 1932.)

In the same way, for Britain, Sir William Goode, British Director of Relief in Central Europe, wrote on "European Reconstruction" in 1925, quoting from his official report in 1920:

> Food was practically the only basis on which the Governments of the hastily created States could be maintained in power. . . . Half

of Europe had hovered on the brink of Bolshevism. If it had not been for the £137 million in relief credits granted to Central and Eastern Europe between 1919 and 1921, it would have been impossible to provide food and coal and the sea and land transport for them. Without food and coal and transport, Austria and probably several other countries would have gone the way of Russia. . . . Two and a half years after the Armistice the back of Bolshevism in Central Europe had been broken, largely by relief credits. . . . The expenditure of £137 million was probably one of the best international investments from a financial and political point of view ever recorded in history.

(Sir William Goode, *Times*, October 14, 1925.)

Subsequently, the Dawes Plan, Locarno and the flow of American credits and loans to Europe carried forward the same process of capitalist restoration at a higher stage.

What was the basis of the defeat of the proletarian revolution and the rebuilding of capitalism in the years immediately following the war? Fascism at this time did not exist as a factor save in Italy. The main weapons of capitalism were threefold.

The first was direct civil war and counter-revolution—the wars of intervention against Russia, the White Terror in Finland, Hungary, Poland, etc., the military aid to Poland in 1920, the permission of the counter-revolutionary military organisations, officers' corps, Orgesch, etc., in Germany (which helped to build up the basis of the subsequent Fascism in Germany), and the like. This was of decisive importance at the immediate critical points of struggle, but it could not provide the main basis, as it had no mass support and could only build on the narrow ranks of the ex-officers and direct reactionary classes; the failure of the Kapp Putsch demonstrated this weakness. It was only later that Fascism was to find the way towards a temporary solution of the problem of the combination of counter-revolution with winning a wide measure of mass support.

The second weapon was Social Democracy and the granting of temporary concessions to the workers. Social Democracy because of its mass basis, was the main weapon of capitalism in the years immediately after the war for the rebuilding of capitalism. The advance of the workers to the struggle for power, the immediate onrush of which after the war was too powerful to be successfully defeated in direct battle, was circumvented by a strategical ruse—the placing of Social

Democratic governments, presidents and ministers in office, thus appearing to surrender to the workers the seats of power, while the realities of power remained with capitalism. Only in this way, by the alliance with Social Democracy, by hiding capitalism under a Social Democratic front, was the capitalist state saved after the war. Social Democracy united with capitalism to defeat the workers' revolution. A great show of concessions to the workers was made; promises were lavishly broadcast; Socialisation Commissions, Nationalisation Commissions, Sankey Commissions were set up; wages were increased and hours shortened.*

Subsequently, as soon as the power of capitalism was thus successfully re-established, a reverse action took place. The concessions were withdrawn; inflation wiped them out in the European countries; the capitalist offensive drove back the workers even below pre-war levels; the Social Democrats, while still occasionally used as governments, were increasingly relegated to the role of "opposition." At the same time, the consequent growth of disillusionment of the workers with the whole process and with Social Democracy led to the necessity of capitalism discovering a further basis of power, and the development of Fascism as the parallel instrument of capitalism alongside Social Democracy. But this development only took place on a wider scale as the stabilisation began to break down in the world economic crisis.

The third weapon of capitalism in the re-establishment of its power and of its economic system was the drawing on the colossal reserves of the still unshaken centre of world capitalism —American capitalism. American loans and credits poured into Europe to bolster up and rebuild the shaken fabric of European capitalism. On this basis the restoration of the gold

* The character of this period was revealingly described, with reference to the Sankey Coal Commission, by Evan Williams, President of the Mining Association, in his evidence before the Mining Court of Inquiry in 1924:

"It was an atmosphere charged with the emotions of the time in which the Commission sat. There were fears throughout the whole country as to what might happen, and it was felt that the miners' position ought to be met in order to maintain peace. That was the atmosphere of the Commission. The atmosphere was an unreal one altogether, and conclusions were arrived at without any real foundation. Two of my colleagues, mineowners and myself," went on Mr. Williams with a smile, "actually signed a report which recommended a reduction in the hours of work in mines." (*Daily Herald* report, April 26, 1924.)

The "smile" is the comment of capitalism on its own ruse, after the ruse has succeeded.

standard took place. The triumph of stabilisation was celebrated by the bankers of the world. It was obvious that this basis was a false one, and would involve a boomerang outcome, as was predicted at the time by Marxists.*

On this basis was built the restoration of capitalism after the war, and subsequent upward movement and boom of 1927-9.

It is evident to all to-day that this basis of stabilisation was a hollow and rotten one.

In the first place, the direct counter-revolutionary fighting organisation was still built on the narrow circle of privileged strata and their immediate range of influence, and had no wider mass basis. The masses were still only reached by Social Democracy or Communism.

Second, the weapon of Social Democracy was more and more blunted by each successive use. Widespread disillusionment grew with the failure of Social Democracy, not only to lead any fight for socialism, but even to fight to maintain existing conditions or defend the daily interests of the workers. The more and more desperate use of ever extending disciplinary and coercive measures by the Social Democratic leadership to maintain their power could not check this growing discontent. In the European countries as a whole during this period the vote of Social Democracy declined, and that of Communism increased.

Third, the American Colossus, on whose support and subsidies the restoration of capitalism was built up, was a colossus with feet of clay. As rapid as was its expansion and apparent prosperity and power in the war and post-war period, no less rapid was the bursting of the contradictions of its capitalist structure into a more gigantic economic crisis than any previously experienced in any country of capitalism. But just as American capitalism had provided the economic base for the

* See, for example, the *Labour Monthly* for February 1925, on "The Restoration of Europe," and for March 1925, on "The Gold Standard," where it was predicted that, as soon as the flow of new loans and credits should begin to dry up, and be exceeded by the necessary return movement of interest and amortisation, requiring an enormous expansion of European exports in the overcrowded world market, this would necessarily precipitate a new crisis, leading to the shattering of the gold standard. To-day this analysis, made in 1925, and fully realised six years later, provides an instructive comparison of the effectiveness of the Marxist line in contrast to the complacent contemporary statements during that period of all the leaders and professorial experts of capitalism on the success of stabilisation and of the return to the gold standard.

rebuilding of capitalism throughout the world, so the American crash brought with it the crash of the whole structure of stabilisation throughout the world.

Fourth, the very success for the moment of stabilisation, of rationalisation, of the enormous expansion of the productive structure, brought with it the intensification of all the problems and conflicts of capitalism, and only resulted in the more rapid and complete shipwreck. The gigantic productive mechanism required a no less gigantic expansion of the market; unless it could maintain its mass output at full working, its very much heavier maintenance costs made it actually less economical than more primitive technical forms.

The presuppositions of the attempted restoration and stabilisation of capitalism after the war had been the return to the conditions of pre-war capitalism (which had in reality already been undergoing far-reaching modifications and transformations already before the war), to the free market regulation of supply and demand, to the automatic gold standard, etc. But in fact monopoly capitalism had already before the war transformed these conditions of classic capitalism beyond recognition, and led to the growing disequilibrium which found expression in the war. After the war, monopoly capitalism was enormously further developed, not only in the scale of the trusts and in the concentration of the financial oligarchies, but in the ever closer unification of the financial oligarchies and the State machine, in the growing State economic intervention and control, in the utilisation of direct political means for economic ends (reparations, debts, loan policies, colonial policies), and the rising network of tariffs, subsidies, quotas, licences, and all forms of restrictions to maintain the closed monopolist areas. The whole resulting structure was top-heavy. The crash was inevitable. Capitalism under these conditions was more and more revealing itself, no longer as a " working system," but as a clogging fetter on production and exchange, with vast concentrations of conflicting and irresponsible power at strategic points, which could rock the whole system.

When the crash came with the world economic crisis, the conditions of monopoly capitalism still further prevented the " normal " working out of the crisis, and intensified and prolonged the crisis. The great capitalist monopolies were able to maintain relatively high profits in the midst of the depression,

by artificial measures of restriction, by maintaining monopoly prices above the general price-level, and by passing on the burden of the depression to the working masses, to the petit-bourgeoisie and to the colonial peoples. The prices of cartellised goods in Germany in the beginning of 1933 had only fallen 20 per cent. below the level of the first half of 1929, whereas the price of non-cartellised goods had fallen 55 per cent. (League of Nations *World Production and Prices*, p. 109). The prices of manufactured goods in the imperialist countries were maintained above the pre-war level, at the same time as the prices of the raw-material products of the colonial peoples were depressed to an average of half the pre-war level. But this meant to intensify the contradictions at the root of the crisis. In this way the workings of monopoly capitalism hindered the " normal " solution of the crisis after the methods of " healthy " capitalism.

Thus it became more and more evident, both from the circumstances leading to the crisis, and from the further development of the crisis, that the " restoration of capitalism " of the pre-war type was no longer possible; that its breakdown was not due to any particular, isolated, accidental causes (reparations, debts, gold supply and distribution, etc., as was at first suggested), but was inherent in the whole nature of the attempt in relation to modern conditions of production and economic organisation; and that in fact, as began to become increasingly recognised in informed capitalist quarters, the whole attempt at " restoration " during the nineteen-twenties had been in reality a chase after an illusion.

As the recognition of this begins to spread within the capitalist world, the conscious direction of capitalist policy begins to change more and more openly—the decisive point of change from the old to the new may be marked in 1933 with the advent of Roosevelt in the United States, with the advent of Hitler in Germany, and with the breakdown of the World Economic Conference—and moves to new types of policy in accordance with the changed conditions, and to corresponding new types of economic and political organisation.

2. *The Collapse of the Illusions of the Stabilisation Period.*

The short-lived " stabilisation " and upward movement of capitalism in the nineteen-twenties gave rise to a host of myths

and illusions as to the possibilities of permanent capitalist prosperity, of a new era of harmonious capitalist advance, of " organised capitalism," of " super-capitalism," of improving standards for all without the need of class struggle or revolution.

These illusions were important at the time as the means by which capitalism sought to maintain its hold on the masses and to counter the issue of the social revolution, which concretely confronted the world since 1917.

The collapse of these illusions with the world economic crisis was of decisive importance in the development of capitalist ideology to Fascism.

The main forms taken by these illusions were twofold, both closely connected.

The first was the myth of American Capitalism as a new type of capitalism, which had overcome the contradictions and crises of the old capitalism, which had " ironed out the trade cycle," and found the key to permanent prosperity and the abolition of poverty through continuously rising standards of the workers alongside continuously rising profits. American Capitalism was held out as the triumphant refutation of Communism. " Ford versus Marx " was the common popularisation of this theme.

The second, closely connected with the first, was the conception of " Organised Capitalism " as the new type of capitalism developing throughout the world, and building up under capitalist leadership a rational productive world order, which would eliminate the evils, poverty and discords of the old nineteenth-century capitalism and replace them by unparallelled universal prosperity. This conception found its final expression in " Ultra-Imperialism," or the conception that capitalist development was working towards a unified world capitalist order, eliminating war and the divisions of imperialism under the beneficent and pacific control of international finance.

There is no doubt that these illusions were to some extent shared by a portion of the leaders of capitalism during this period, who were dazzled by the apparent rapid recovery from the war and the unparallelled advance in production, trade and profits, and looked forward to a period of ever-growing prosperity. Thus President Hoover declared on July 27, 1928: " The outlook of the world to-day is for the greatest era of commercial expansion in history." And again, on August 11,

1928, in a speech accepting the Republican re-nomination for President:

> Unemployment in the sense of distress is widely disappearing. We in America to-day are nearer to the final triumph over poverty than ever before in the history of any land. The poorhouse is vanishing from among us. We have not yet reached the goal, but given a chance to go forward with the policies of the last eight years, and we shall soon with the help of God be within sight of the day when poverty will be banished from this nation.
>
> (New York *Nation*, June 15, 1932.)

Similarly Keynes in 1925, addressing the Liberal Summer School under the title, " Am I a Liberal? " distinguished three periods of economic development: the first, of scarcity, up to the fifteenth or sixteenth centuries; the second of abundance, represented by the nineteenth century; and the third, of " stabilisation," now opening:

> But we are now entering on a third era, which Professor Commons calls the period of stabilisation, and truly characterises as " the actual alternative to Marx's Communism."
>
> (Keynes *Am I a Liberal?* 1925, reprinted in *Essays in Persuasion*, 1931)

The principal channel of these illusions throughout Western Europe and America was Social Democracy. Through Social Democracy these illusions were transmitted to the masses. The " American Model " and " Ford versus Marx " became the battle-cry of Social Democracy and the Second International in the fight against Communism. Government-paid missions of labour leaders were sent from Britain, Germany and other countries to the United States to bring back the new gospel from the Holy Land of Capitalism. It is unnecessary now to repeat (although it would be profitable for those who come newly to these questions to study this record of capitalist and social democratic illusion and ignorance on the basic questions of our epoch) the more fantastic utterances of all the principal Labour Party, trade union and social democratic leaders and theorists on the American Miracle and the triumph of capitalism over Marxism.*

* Reference may be made to the present writer's *Socialism and the Living Wage*, published in 1927, for a collection of some of the typical British Labour expressions—Labour Party, trade union and Independent Labour Party—in adoration of the American Mammon, Fordism, the New Capitalist Era, Rationalisation, etc. It

What is important is that capitalism in this period, through Social Democracy, was able to build up a powerful propaganda in the working class of expectation of a new capitalist era, of rising prosperity, of the unshakable strength of capitalism, and of the refutation of revolutionary Marxism. The entire machine of reformist socialism, in control of the working class organisations, spread this propaganda.

Thus Snowden on behalf of the Labour Party declared:

He did not agree with the statement of some of their socialist friends that the capitalist system was obviously breaking down. He believed that we were to-day in a position very much like the industrial revolution that took place about 120 years ago. Then the steam age was ushered in.

Now we are entering in, I believe, the new age of electricity and an age of chemistry. Wide-awake capitalists are seeing this, and they are taking steps to appropriate for private profit and private ownership the exploitation of these great forces. If they succeed in doing that, then the capitalist system will be given a new and long and more powerful lease of life.

(Snowden, *Daily Herald* report, April 17, 1926.)

Citrine, on behalf of the Trades Union Congress, defending the policy of " Mondism " or alliance with capitalism, explained that the policy of co-operation with the employers

aims at using the organised powers of the workers to promote effective co-operation in developing more effective less wasteful methods of production, eliminating unnecessary friction and unavoidable conflict in order to increase the wealth produced and provide a steady rising standard of social life and continuously improving conditions of employment for the workers.

(Citrine, in the *Labour Magazine*, October 1927.)

In this way the expectation of " a new and long and more powerful lease of life " of capitalism, and of " a steady rising standard of social life and continuously improving conditions of employment for the workers " within capitalism was preached by Social Democracy.

Similarly the theorist of German trade unionism, Tarnov, wrote that Marxism was now refuted by modern capitalism:

We must distinguish two epochs in the development of capitalism;

may be noted that Labour Press reviews of this book, which in 1927 exposed the clay feet and impending crash of the American Colossus, rejected its reasoning on the grounds that it was based on the " obsolete " theories of Marxism, which only had reference to nineteenth-century capitalism and were refuted by modern capitalism, as demonstrated in America.

the epoch of British capitalism, which was limited in its possibilities of expansion, and the epoch of American capitalism, which on the basis of the latest technical advances can unendingly expand and develop.

For the first epoch, Marx and Lassalle were typical. They maintained that wages are determined by certain economic laws, that they depend on the cost of labour-power, etc. For the second epoch, Ford is typical. He proved that capitalism can prosper, while the worker need not at the same time remain poor.

Along the same lines another leading theorist of German trade unionism, Naphthali, wrote:

Cyclical development, under which there was a regular succession of prosperity and crisis, of which Marx and Engels wrote, applies to the period of early capitalism.

A younger theorist of the Labour Party wrote in a book appearing as late as 1931:

There are grounds for thinking that the situation is changing for the good. The wave of world revolution, on which the advance of Communism is depending, has subsided. Capitalism has been successful up to a point in stabilising itself—though at the price of admitting into its structure socialist elements which will ultimately supersede it. . . . There is a good deal in the classic Communist picture of a world in the grip of ineluctable conflict that is out of date.

(A. L. Rowse, *Politics and the Younger Generation*, 1931, p. 294.)

This writer argued further that the most modern capitalist monopolies were showing an enlightened and benevolent tendency of scientific world organisation which held out the prospect of an ultimate "synthesis of common aims" with socialism. Unfortunately for the writer, he chose as his example of this progressive tendency of modern monopolist capitalism and potential ally with socialism—Kreuger.

It is noteworthy that one of the greatest and most progressive of modern finance corporations, the Swedish Kreuger and Toll Co., in a brilliant review of world conditions comes to conclusions not dissimilar. (a quotation from their report follows):

When a great capitalist concern speaks in these terms, one seems to see a glimpse of the future in which the existing conflict between socialism and it is resolved in a synthesis of common aims.

(*Ibid.*, pp. 46-7.)

The Preface of this book was dated 29 July, 1931. The collapse

and exposure of Kreuger and his swindles took place within eight months. This writer for the " younger generation " was belated in his repetition of social democratic propaganda of a preceding period, which had already reached its climax and completed its main currency in 1927-9.

What was the effect of this dominant line of propaganda and policy of Social Democracy during the short-lived boom period of post-war capitalism?

First, it completely concealed the real character of post-war capitalism, the real issues of the period, and the real struggle confronting them, for the working class. Thus the workers were left confused and unprepared for the gigantic issues which faced them, and which the crisis laid bare.

Second, the subsequent collapse of all these theories and of the entire line of leadership with the advent of the world economic crisis produced a tremendous disillusionment throughout the petit-bourgeoisie and the working class who had followed the promises of Social Democracy. All the hopes which had been built up collapsed.

Thus the path was laid open for the advance of Fascism in the petit-bourgeoisie and in certain strata of the working class.

3. *After the Collapse.*

At first the full extent of the collapse involved in the world economic crisis was not understood by the leaders of capitalism. It was attempted at first to regard the crash of the autumn of 1929 as a crisis of speculation on the American Stock Exchange, unrelated to the general economic situation.

On 29 October, 1929, President Hoover affirmed that " the fundamental business of the country is on a sound and prosperous basis." The Assistant Secretary of Commerce, Dr. Klein, explained that " a decline in security prices does not greatly affect the buying power of the community . . . the industrial and commercial structure of the nation is sound." On November 24 Dr. Klein stated that American business was " healthy and vigorous and promises to be more so." On December 3 Hoover announced: " We have re-established confidence. . . . A very large degree of unemployment which would otherwise have occurred has been prevented." On January 1, 1930, the Secretary of the Treasury, Mellon, prophesied: " I have every confidence that there will be a revival

of activity in the spring." On January 10 Dr. Klein prophesied: "I believe that the turn will come about March or April." On March 8 Hoover prophesied that the crisis would be over in sixty days. On May 19 the Secretary of State, Lamont, prophesied that "normal conditions should be restored in two or three months." On May 1, 1930, Hoover announced: "We have now passed the worst."

And so on, continuously, right into 1932. A similar list could be compiled for the Labour Government and National Government in Britain.

As late as 1930 appeared the well-known report of the Hoover Committee on "Recent Economic Changes," still celebrating the American Miracle and the "economic balance" achieved, and concluding: "Our situation is fortunate, our momentum is remarkable." And indeed had not all the professors proved that the "prosperity" must be permanent? Thus Professor Carver, of Harvard, answering the question "How long will this diffusion of prosperity last?" replied:

> There is absolutely no reason why the widely diffused prosperity which we are now witnessing should not permanently increase.
>
> (Professor N. Carver, *This Economic World*, 1928, p. 396.)

Similarly another of the professors of economics had declared:

> There is no fundamental defect in the organisation of the industrial system which would prevent business enterprises being operated constantly at a profit. Under the present industrial system, it is not only desirable to have, and to maintain constantly, profits, industrial progress and prosperity, but it is possible to attain this goal.
>
> (Professor A. B. Adams, *Progress, Profits and Prosperity*, 1927.)

Very different was the tone of President Hoover's next Research Committee into Modern Trends, which reported in the end of 1932, and found that:

> In the best years millions of families are limited to meagre living. Unless there is a speeding up of social invention or a slowing down of mechanical invention, grave mal-adjustments are certain.
>
> The American standard of living for the near future must decline because of lower wages caused by unemployment.

As the deeper and more lasting character of the crisis began to be recognised, the attempt began to be made to seek for some specific major cause, such as reparations and debts, the gold supply, tariffs, etc. These questions came to the front, as

the intensity of the crisis began to centre in Europe in 1931, with the Austrian bank crash and the inability of German debts payments. In the summer of 1931 the Hoover Moratorium postponed all reparations and debt payments for one year. This did not prevent the collapse of the pound sterling in the autumn. In the summer of the following year the Lausanne settlement ended reparations.

With the collapse of the Dawes and Young Plans, and with the collapse of the gold standard in Britain and other countries, the two main pillars of the stabilisation period had fallen.

But the ending of reparations and debts payments did not mitigate the crisis. On the contrary, it grew more intense in 1932, thus demonstrating that there were deeper factors at work. A panic tone now began to pervade capitalist expression in 1932. Already by the end of 1931 the economist, Sir George Paish, had prophesied that " nothing can prevent a complete breakdown within the next two months " (*Manchester Guardian*, December 10, 1931). In May 1932, the Conservative politician, L. S. Amery, prophesied: " We are likely to have a complete collapse in Europe within the next few months " (*Times*, May 28, 1932). In the same month Lloyd George declared at Llandudno: " Without some action international trade would collapse, and there would be famine in the midst of plenty. Russia with vast resources and a population schooled to hardship, might escape; but Europe was on the way to perish " (*Manchester Guardian Weekly*, May 27, 1932). In October 1932, the Governor of the Bank of England, Montagu Norman, made his famous declaration that " the difficulties are so vast, the forces are so unlimited, precedents are so lacking, that I approach the whole subject in ignorance and in humility. It is too great for me. . . . I will admit that for the moment the way, to me, is not clear " (*Times*, October 21, 1932). And his possibly apocryphal alleged declaration to the Governor of the Bank of France was widely reported in the Press to have prophesied collapse of the capitalist system within twelve months.

The expectations of the bourgeoisie, in their moment of panic, of a sudden automatic collapse of capitalism were no more correctly founded than their previous expectations of a rapid automatic recovery. However unlimited the destruction that capitalism in decay and in crisis can cause, its final collapse can only take place through the action of the proletariat in

overthrowing it. But in these expressions of the bourgeoisie we can see the ideological reflection of the end of stabilisation, and the preparation of the ground for the transition to the desperate measures of Fascism.

In the third and fourth years of the crisis, as all the attempted remedies and hopes of recovery proved deceptive, attention began to be increasingly concentrated on the deeper issues of the whole advance of technique and its obvious outstripping of the existing forms of social organisation. The expression "technological unemployment" now found general currency as a seemingly scientific explanation which could be used to account for everything without raising the sharp problem of property relations. Typical of this period was the short-lived episode of "technocracy," which was boomed throughout the world capitalist Press during the last quarter of 1932 and the beginning of 1933. The advocates of "technocracy" (whose leaders were in reality former camp-followers of the labour movement and had drawn such inspiration as they had from incompletely digested crumbs from the table of Marxism) brought a wealth of evidence to show the advance of productive power and its conflict with existing social forms. But they drew therefrom the incorrect conclusion that the problem is consequently a *technical* problem, to be solved under the expert guidance of technicians through new utopian forms of commodity valuation (*à la* Proudhon) within existing property society. Thus, while their evidence of the conflict of the advance of technique with existing society was based on familiar and in the main indisputable facts, they remained economically and politically at sea. They failed to understand that the social organisation of technique is incompatible with the capitalist class monopoly in the means of production, and that consequently the basic problem of the present period is not a technical problem, but a *political* problem—the breaking of the capitalist class monopoly by the power of the working class. Only when the political conditions are thus created can the technical problem be solved. For a short period their propaganda received immense publicity in the capitalist Press as an apparent counter to Marxism; but as soon as it became clear that even so, the technical facts and criticism brought forward by them were too damaging to capitalist interests, they were rapidly silenced, and the financial support withdrawn.

The minds and thoughts of the leaders of capitalism, as the development of the crisis was making increasingly clear the basic contradictions confronting them and the basic conflict between the advance of technique and the maintenance of class-society, were moving in a different direction. They were drawing with increasing clearness and consciousness the necessary conclusions for the maintenance of class-society and the restriction of the advance of technique. The old conceptions of the " restoration " of capitalism of the pre-war pattern, of " international capitalism," of all the traditional theories of the older schools of capitalist economists, who wrung their hands at the new developments, were becoming more and more clearly and consciously abandoned. In their place came to the front the conceptions of so-called " national planning," of the closed monopolist area, of state economic control, of the restriction of production, of the building of rigidly controlled, confined, static class-societies with suppression of the class struggle, and of war as an inevitable near necessity.

There is no absolute division between the old and the new. The new is only the more complete working out of the basic principles of imperialism at a more advanced stage, at a more extreme stage of capitalist decay.

By 1933 the new trends were fully dominant. The signals of the new period were the advent of Roosevelt in the United States, the advent of Hitler in Germany, the breakdown of the World Economic Conference, and the breakdown of the Disarmament Conference. The end of stabilisation had given place to the new phase, of which Fascism is the most complete and consistent expression.

CHAPTER III

THE NEW ECONOMICS AND POLITICS

A WELL-KNOWN statement of Lenin in 1920 with reference to the post-war crisis gave warning against the illusion that there is "absolutely no way out" for capitalism; on the contrary, "there are no absolutely hopeless situations."

The meaning of this statement is often misunderstood, because it is commonly quoted out of its context. Lenin was in fact giving warning against "two widespread errors": first, the error of the "bourgeois economists," who fail to see the basic character of the crisis and regard it as a temporary "unsettlement"; and second, the error of the passive revolutionists, who expect an automatic collapse of capitalism. Against the latter he pointed out that the "proof" of the collapse of capitalism can only be, not any abstract logical demonstration, but the successful action of the proletariat in overthrowing it. Until then, capitalism remains in power, drags on somehow, finds its own "way out" each time, no matter what disturbances it passes through. In other words, capitalism does not escape from the general crisis into which it has fallen since 1914, and which is inevitable in the present stage of conflict between the forces of production and the existing relations of capitalist property ownership; it only passes from one stage of crisis to another; there is no question of a temporary "unsettlement." But capitalism does not finally fall until the proletariat overthrows it. This is the dialectic of the general crisis of capitalism which Lenin was concerned to demonstrate.

The subsequent fourteen years have abundantly confirmed the truth of this analysis. On the one hand, so long as the proletariat is not ready and strong enough, capitalism remains in power; on the other hand, capitalism does not recover from its mortal sickness. It passes from one stage of crisis only to fall into a new stage. At each stage, if the proletariat is not yet ready to deal the death-blow, there remains a capitalist "way out" which prevails. But the capitalist "way out" is no

harmonious solution, no simple restoration of order to a temporary " unsettlement." The capitalist " way out " is at each stage a way of increasing destruction, of mass-starvation, of violence, of war, of decay. This is the lesson of the two decades since the outbreak of the war. And this is the character of the present stage of the economics and politics of capitalism resulting from the world economic crisis, and carrying to an extreme point the whole development of imperialist decay.

Destruction in place of construction; restricted production in place of increased production; closed " national " (i.e., imperialist) economic blocs in place of the formal objective of international interdependence; social and political repression in place of liberalism—these are the characteristic watchwords of capitalism in the present period.

1. *The Destruction of the Productive Forces.*

The most direct, elementary and typical expression of the present stage of capitalist policy is the organised collective destruction of wealth and of the productive forces.

The purposeful destruction of commodities for economic reasons is in itself nothing new in capitalism, but an integral part of its daily working from the beginning. It was in 1799 that Fourier first became convinced of the necessity of a new form of social organisation when he found himself entrusted with the task at Marseilles to superintend the destruction of a quantity of rice held for higher prices during a scarcity of food till it had become unfit for use. Nevertheless, this rice had at any rate been held back in the hope of sale, and was only destroyed because it had become unfit for use. This was not yet the modern principle of the wholesale destruction of good rice, good wheat, good cotton, good coffee and good meat.

In the same way the endeavour by combination to limit stocks, restrict production, and maintain or raise prices is inherent, not merely in capitalism, but in commodity economy from the beginning. As Adam Smith wrote in his *Wealth of Nations:*

> People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public or in some contrivance to raise prices.
>
> (Adam Smith, *Wealth of Nations*, Book I, Chapter 10, Part ii.)

But such a policy appeared to Adam Smith, the original voice of classic capitalism, as an offence against the principles of capitalist production, as " a conspiracy against the public." It has remained for our day that all the capitalist governments of the world should meet together in the World Economic Conference to proclaim, with the combined voice of all the most enlightened, progressive statesmen and all the economists, the supreme aim to *restrict production* and to *raise prices.* This is a measure of the extreme stage of decay of capitalism.

The distinctive modern stage of capitalist policy for the destruction of wealth and of the productive forces is marked by three outstanding characteristics.

The first is the gigantic scale of destruction, conducted over entire principal world areas of production, and calculated in relation to world stocks.

The second is the direct government organisation and subsiding of such destruction and restriction of production by all the leading imperialist governments.

The third is the extension of destruction, not only to the destruction of existing stocks of commodities, but to the destruction of the productive forces, the ploughing up of crops and sown areas, the artificial limitation of production, the dismantling of machinery, as well as holding unused the labour power of millions of workers.

The examples of this process throughout the capitalist world are too familiar to require repetition. The burning of millions of bags of coffee or tons of grain, in the midst of mass starvation and poverty, have horrified the world. But all this has been no accidental or exceptional happening through the action of individuals, but on the contrary *directly organised by all the capitalist governments of the world*, and in the forefront by the most " progressive " governments, by the Roosevelt Government in the United States, by Social Democratic governments, etc.

It is a tragic irony that men and women in New York should be suffering the tortures of hunger while tens of thousands of pigs in farrow are being slaughtered in Iowa by the command of the Government, and farmers in Kansas or Nebraska are burning their grain. (*News-Chronicle*, October 17, 1933.)

The expenditures account recently published of the Agricultural Adjustment Administration under the Roosevelt regime

affords a pretty picture of modern capitalism (*Economist*, December 30, 1933):

EXPENDITURES UNDER THE A.A.A.

Allocation	*Approximate Sum*
Cotton Acreage ploughed up	110 million dollars
1934 Cotton Acreage Reduction	150 „ „
Emergency Pig-Sow Slaughter	33 „ „
Corn-Hog Production Control	350 „ „
Wheat Acreage Reduction	102 „ „
Tobacco Acreage Reduction	21 „ „

This inspiring combination of Mammon and Juggernaut, let it be remembered, is the worshipped idol of the Labour Party and of the Trades Union Congress, as proclaimed at their meetings at Hastings and Brighton in 1933.

From Denmark it was reported in November 1933 that cattle were being slaughtered in the Government abattoirs at the rate of 5,000 a week, for the carcasses to be burnt in the incinerators. The Government established a special destruction fund; but so great was the cost of destruction that Parliament had to be approached for further credits for the construction of new slaughter houses. This was under a Social Democratic Government.

In the same way the British Labour Government had already carried the Coal Mines Act for the limitation of the ouput of coal—with such success that in the beginning of 1934 a London firm actually ordered a consignment of coal from abroad, on the grounds, as they stated, that owing to the limitation schemes it was impossible to secure a delivery from British sources with sufficient speed.

In Britain in 1930 the company "National Shipbuilders Security, Limited" was formed, with power to borrow up to three million pounds, for the purpose (according to the Memorandum of Association) "to assist the shipbuilding industry by the purchase of redundant and/or obsolete shipyards, the dismantling and disposal of their contents, and the re-sale of their sites under restrictions against further use for shipbuilding." Within a few months its successful activities were reported in the Press:

National Shipbuilders Security, Limited, has purchased Dalmuir Shipbuilding Yard, owned by William Beardmore and Co., and in

consequence it is to be closed down by the end of the year. This shipyard was one of the largest on the Clyde, employing six thousand men during the war. Negotiations for the purchase and closing down of other shipyards are in progress.

Up to the end of 1933 this new type of capitalist company had bought up and closed down one hundred shipbuilding berths. In the twelve months to June 1933, the world tonnage of merchant shipping showed a net decrease of 1,814,000 tons, more than half this decrease being in tonnage owned by Britain.

Similarly, in the woollen textile industry the Woolcombers Mutual Association, Limited, was formed early in 1933 " to assist the woolcombing industry by the purchase and dismantling of redundant and obsolete mills, plant and machinery for re-sale under restrictive covenants against their further use for woolcombing."

The principal copper producers of the world entered into an agreement at Brussels in December 1931, to limit production during 1932 to 26 per cent. of the capacity of their mines.

The National Coffee Council of Brazil, from which country comes two-thirds of the world's coffee, decided in December 1931 to destroy twelve million bags of coffee. During 1932-3 9,600,000 quintals (equivalent to 1,248 million pounds weight) were destroyed, an emergency tax being imposed on coffee exports to finance the purchase and destruction of surplus coffee (League of Nations *World Production and Prices 1925-32*, p. 28). Up to the end of 1933 no less than 22,000,000 bags of coffee had been disposed of by burning or dumping in the sea.

The Governors of Texas and Oklahoma called out the National Guard to take possession of the oil-wells and prevent production.

The United States Department of Agriculture in the summer of 1933 announced bounties of seven to twenty dollars per acre to farmers for the destruction of the cotton crop. This was successful in securing the ploughing in or mowing down of 11 million acres out of a total of 40 millions:

> The Government hoped to take ten million acres out of production by paying growers $7 to $20 per acre (according to the yield of their land) for ploughing under or mowing down cotton already growing. . . . The scheme was immediately successful in restricting acreage,

over 11 million acres being ploughed in or mown down, reducing the estimated acreage from 40.8 to 29.7 million acres.

(*World Economic Survey 1932-3*, pp. 313-4.)*

To the modern bourgeois mind and outlook this process of wholesale destruction and restricting of production, in the midst of poverty, appears as a natural and self-evident necessity. Without sense of contradiction they proclaim it in the same breath that they proclaim the necessity of "economy" and "cuts" to the masses; and correctly they feel no contradiction, since both are indispensable to the maintenance of capitalism at the present stage. They preach to-day the policy of restriction of production with the same sense of obvious correctness and common sense with which they preached after the war the policy of "increased production" as the path to prosperity. Thus in the summer of 1933 we find the British Chancellor of the Exchequer answering the "theorists" who imagine restriction of production to be "a bad thing":

To allow production to go on unchecked and unregulated in these modern conditions when it could almost at a moment's notice be increased to an almost indefinite extent was absolute folly.

(Neville Chamberlain in the House of Commons, June 2, 1933: *Times*, June 3, 1933.)

In the same way the *Economist* was able to report with satisfaction:

While there was an enormous over-expansion of productive capacity before 1929, investment in capital equipment has been severely curtailed since then, and a substantial proportion of existing plant and machinery has become obsolete or has been scrapped. There can be little doubt that substantial progress has already been made in the re-adjustment of productive capacity to the lower level of demand for consumers' goods.—(*Economist*, May 13, 1933.)

"Productive capacity" must be "re-adjusted" to the "lower level" of consumption of the impoverished masses. Such is the

* The practical execution of the scheme, however, was not without difficulties, as witness the following item from the American Press on August 9, 1933:

SOUTHERN MULES BALK AT PLOWING UP COTTON.

Paul A. Porter of the Administration, just back from the South, reported to-day that many farmers had complained they found difficulty in getting their mules to "act right" while plowing up the cotton. It is not the mule's fault at that, Mr. Porter explained. All these years he has been lambasted if he walked atop the cotton row. Now it is the reverse, and he is being asked to trample down stalks he was carefully trained to protect.

The honours go to the mules rather than to President Roosevelt.

bed of Procrustes (who was also a bandit, but a less skilled and large-scale bandit) to which modern capitalism in its extreme stage of decay seeks to fit the tortured body of humanity.

The more obvious and glaring expressions of this process, the burning of foodstuffs, the dismantling of machinery that is still in good condition, strike the imagination of all. But all do not yet see the full significance of these symptoms: first, the expression through these symptoms of the extreme stage of decay of the whole capitalist order; second, the inseparable connection of this process of decay with the social and political phenomena of decay which find their complete expression in Fascism; and third, the necessary completion and final working out of this process in war. For war is only the complete and most systematic working out of the process of destruction. To-day they are burning wheat and grain, the means of human life. To-morrow they will be burning living human bodies.

2. *The Revolt against the Machine.*

But this revolt of modern capitalism against the productive forces, against the development of technique, and for the artificial restriction of production, goes further. It begins to turn, ideologically, and even in certain concrete propositions and experimental attempts, into a direct revolt against the machine.

A century ago, in 1831, the Society for the Diffusion of Useful Knowledge published a brochure, *The Results of Machinery*, addressed to the working men of the United Kingdom. "The little book gives a glowing picture of the glories of invention, of the permanent blessings of machinery, of the triumphant step that man takes in comfort and civilisation every time that he transfers one of the meaner drudgeries of the world's work from human backs to wheels and pistons. The argument is developed with great animation and vigour, and the writer, as he skirmishes with the workman's prejudices, travels over one industry and one country after another" (J. L. and B. Hammond, *The Town Labourer*, p. 17).

To-day the tables are turned. It is no longer the bourgeoisie who are teaching the ignorant workers, displaced and starving in millions through the advance of machinery under capitalist conditions, the blessings and advantages of machinery in the abstract. On the contrary, the bourgeoisie, now that they no longer see rising profits through the advance of machinery, but

instead see their whole position and rule more and more visibly menaced by its development, change their tune; they deplore the evils of the too rapid advance of machinery; their tone becomes increasingly one of hostility, fear and hatred to the machine. It is the working class who, despite their still heavy sufferings through the advance of the machine under capitalism, now become the conscious champions of the machine, recognising in it the powerful ally of their fight for a new order, and seeing with clear understanding its gigantic future beneficent role once it becomes liberated for social use under the leadership of the working class and in communist society.

Even the scientists and technicians, the inventors of new machinery and technical processes in the service of capitalism, begin increasingly, with the exception of a small and courageous minority, to turn against their own children, and to discuss, in technical and scientific conferences and journals, the necessity of arresting the advance of invention, of artificially restricting the output of new inventions.

Thus the working class is revealed as the sole consistent progressive force of present society. The capitalists are the modern Luddites.

This tendency of the capitalist reaction against the machine is not confined to the social philosophers and speculators: to a Bertrand Russell, with his idealisation of the decaying Chinese pre-capitalist civilisation in the moment of its dissolution before the advancing mass revolution; to a Spengler, the favourite and most-quoted philosopher of Fascism, with his unconcealed hatred of machine-civilisation and worship of his mythical " primitive man roosting solitary as a vulture . . . without any communal feeling, in complete freedom, with no ' we ' like a herd of mere generic specimens . . . strong, solitary men " (see his revealing book *Der Mensch und die Technik—Man and Technique*); or, for the matter of that, to a Gandhi and his spinning-wheel, the adored of the Western European intelligentsia, and true prototype, not of a young bourgeoisie, but of a bourgeoisie born old without ever having known youth, the consistent expression of one aspect of capitalism in decay (the passive reactionary), just as Spengler is the expression of the other aspect (the sophisticatedly bloody, combatant reactionary).

But this same tendency reveals itself increasingly in the states-

men and politicians, in the journalists and publicists, in the scientists and technicians. We have already seen how a *Times* editorial in 1930 could discuss " how perilously the machine has run ahead of man " and query " the advantages residing in a system which relies on the mass production of standardised articles " (March 8, 1930); or how the Hoover Research Committee in 1932 could speak of the possible necessity of a " slowing down of mechanical invention."*

In the same way Sir Alfred Ewing, delivering the Presidential address in 1932 to the British Association, the annual gathering of recognised, conventional bourgeois science, could declare:

> In the present-day thinkers' attitude towards what is called mechanical progress we are conscious of a critical spirit. Admiration is tempered by criticism; complacency has given way to doubt; doubt is passing into alarm.
>
> An old exponent of applied mechanics may be forgiven if he expresses something of the disillusion with which, now standing outside, he watches the sweeping pageant of discovery and invention in which he used to take unbounded delight. It is impossible not to ask, Whither does this tremendous procession tend? What after all is its goal? What its probable influence upon the future of the human race?
>
> Man was ethically unprepared for so great a bounty. . . . More and more does mechanical production take the place of human effort. So man finds that, while he is enriched with a multitude of possessions and possibilities beyond his dreams, he is in great measure deprived of one inestimable blessing, the necessity of toil. . . .
>
> He has lost the joy of craftsmanship. . . . In many cases unemployment is thrust upon him, an unemployment that is more saddening than any drudgery.

* As an example of the popularisation by finance-capital of this reactionary propaganda in its most fantastic form may be noted an article prominently published in the millionaire-owned *Sunday Express* under the title, " Make Way for the Small Man," denouncing the illusion of " Progress " and the failure of " mass production," and calling for the return to " the small owner " as the ideal:

> " The unit of the State is the self-supporting farm with first thoughts for subsistence and only second thoughts for the market—which might be mainly next door and consist of craftsmen supplying the needs of neighbouring farms.
>
> " This simple farm-and-craft relationship is essential to the health and wealth of any civilisation. . . . We should try to recover it." (*Sunday Express*, January 15, 1933.)

Naturally the finance-capitalists would be highly indignant if this infantile progaganda, which they broadcast by the most highly developed "mass-production" machinery, for the befogging of their readers, were suggested to be seriously applied to their mammoth undertakings, including their mammoth Press. The preaching of monopoly-capital against monopoly is an old story.

And the world finds itself glutted with competitive commodities, produced in a quantity too great to be absorbed. . . .

Where shall we look for a remedy? I cannot tell.

(Sir Alfred Ewing, Presidential Address to the British Association, 1932: *Daily Telegraph* report, Sept. 1, 1932.)

This is the confession of bankruptcy of official bourgeois science before the modern world situation. Not the social conditions which lead to the abuse of the results of science and invention are seen as the problem, but instead the gifts of science and invention appear to this modern monk as gifts of the devil, for which man was " ethically " unprepared—as if " ethics " were independent of the social conditions from which in fact they take their character. For solution, this leader of modern bourgeois science confesses his impotence and ends characteristically with a prayer to " God."

Not only the leaders of bourgeois science, but the financial and political leaders of capitalism move in the same direction. An outstanding demonstration of this was the speech of the most " progressive " and " advanced " financier-politician of French capitalism, Joseph Caillaux, on the World Crisis in the spring of 1932 before the Press Association in Paris, and given also in less complete form before the Cobden Club in London (the following citations are from the report of his Paris speech in the *Dépêche Economique et Financière*). His theme was that " the machine is devouring humanity " (" *la machine dévore l'homme*) : " It is necessary to take control of technique. It is necessary to prevent inventions suddenly upsetting production." How? He makes two concrete propositions. First, to set up " in every State, Departments of Technique, to discipline inventions, paying compensation for them, and not allowing them to come into use save in proportion as existing plant is amortised."

The second alternative is " taxation ": " to impose heavy taxes on all inventions of machinery." " Science must be hamstrung " (" *il faut que la science soit jugulée* "). This is not the language of an escaped lunatic, but of a cool, far-seeing politician and skilled financier of capitalism.*

* Another example of the current tendency is afforded by the recent book of the leader of the " Young Conservative " politicians, Lord Eustace Percy, under the title, *Government in Transition.* In this book, whose programme shows strong Fascist influence, " Lord Eustace ends his inquiry in a purely utopian vein: he presents us to a society which has emerged out of the vices of the machine age and is prepared to resort to the simple crafts of the pre-machine age." (*Times,* January 19, 1934.) Here Conservatism in decadence looks longingly backward to the traditions of the pre-capitalist feudal reaction.

Nor is this tendency confined to theoretical expression; there are not wanting the first signs of experiments in practice. At Philadelphia, for example, the attempt was made to meet unemployment by substituting manual labour for machines in some departments of municipal work:

> At Philadelphia the city has decided to abandon the use of a large number of machines in some departments of municipal work and use manual labour instead.
>
> (New York Correspondent of the London *Times*, December 12, 1930.)

Thus the final outcome of the most advanced centre of capitalist machine-development is to return to manual labour. The lesson of Philadelphia, the third greatest manufacturing city of the greatest manufacturing country of the capitalist world, is a sign and portent of where decaying capitalism would ultimately reach, if only it had the power to arrest development and stabilise.

In German Fascism this tendency is strongly to the front, and receives official encouragement by the Government. Thus the Thuringian Government in July 1933, prohibited the use of machinery for glass-blowing. The *Acht Uhr Abendblatt*, commenting on this decision with approval, declared:

> This is the first example in modern times of the State stopping the metallic arms of the machine. Its steel limbs, by accomplishing the work which formerly gave nourishment to hundreds of human hands, have made the machine the mother of working-class misery.

On July 15, 1933, the Reich Government issued an Act prohibiting the installation of any further machines for rolling tobacco leaves and the re-starting of any established machinery which had ceased working.

> The preamble to the Act states that the progressive mechanisation of the cigar industry was in process of destroying the livelihood of the population of certain districts. . . . Machinery has rendered superfluous about 80,000 workers, or five-sixths of the present labour force. . . . It is stated that the output of rolling machines is about 1,000 to 1,200 cigars an hour, while that of a handworker is only 70. . . . The power given by the Act to the Ministers concerned

to limit production in mechanised undertakings is expected to ensure a gradual return to handwork.

(*Manchester Guardian Weekly*, September 15, 1933.)

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The official policy towards the use of machinery is confused; special tax exemption was last year granted on installation of industrial machinery; but the party ideology rejects machinery; and Government prohibitions against its use increase. This week the instalment of automatic machines in the hollow-glass industry was forbidden; and production was limited. In the cement branch . . . the opening of new or expansion of old works has been forbidden. . . . Forbidding the use of machinery, the express aim of which is to keep production cost high in the interest of craftsmen producers, hampers export. The restriction policy is disliked by the more enterprising manufacturer.—(*Economist*, February 24, 1934.)

Return to handwork! Return to the Stone Age! Such is the final logical working out of the most advanc ` apitalism and Fascism.

In fact, the drive of capitalist competitio ` events its realisation. Thus even in the German Government law for the prohibition of new machinery in the cigar-making industry, an exception was explicitly made in respect of production for export; and the contradiction underlying the whole policy is still more sharply brought out in the last extract cited above.

But wherever capitalism is able to reach towards fully secured close monopoly, which is the whole tendency and aim of modern capitalism (though never fully realised), and the whole essence of the economics of Fascism, the inevitably inseparable tendency to retrogression of technique and decay is at once visible (compare the frequent examples of buying up and suppression of new inventions by strongly established trusts). In the abstract theoretical hypothesis of capitalism being able to consolidate into a single world monopoly, such general decay would inevitably follow and indeed be the condition of its existence (virtual prohibition of extended reproduction of capital). Only in socialist monopoly does the incentive to improvement of technique remain, since every improvement of technique means an increase in general standards and diminution of labour.

The revolt of modern capitalist ideology against the machine can never be realised in practice; on the contrary, the capitalists are compelled to fight each other with ever sharper weapons.

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In fact, the drive of capitalist competition prevents its realisation. Thus even in the German Government law for the prohibition of new machinery in the cigar-making industry, an exception was explicitly made in respect of production for export; and the contradiction underlying the whole policy is still more sharply brought out in the last extract cited above.

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The revolt of modern capitalist ideology against the machine can never be realised in practice; on the contrary, the capitalists are compelled to fight each other with ever sharper weapons.

But this ever-growing, though unrealisable, aspiration of modern monopoly capitalism towards the cessation of all development of technique, is a symptom of an economic order in decay. Fascism, with its propaganda of the return to the primitive and the small-scale, alongside actual service in practice to all the requirements of the most highly concentrated finance-capital, is the complete and faithful expression of this profoundly reactionary character of modern monopoly capitalism, and of the deep contradiction at its root.

3. *The Revolt against Science.*

The more and more conscious reactionary role of modern capitalism, and the growing ideological revolt against the machine and sense of antagonism to the development of technique, necessarily expresses itself on a wide front in the entire ideological field. A transformation in the dominant trends of capitalist ideology becomes more and more conspicuous. This transformation expresses itself in the growing revolt against science, against reason, against cultural development, against all the traditional philosophical liberal conceptions which were characteristic of ascendant capitalism; in favour of religion, idealistic illusions, denial of the validity of science, mysticism, spiritualism, multiplying forms of superstition, cults of the primitive, cults of violence, racial charlatanry (" blood " and " Aryan " nonsense) and all forms of obscurantism.

This tendency was already visible from the outset of the imperialist epoch, and especially before the war. It has enormously increased in the post-war period.

The relationship between science and the bourgeoisie has never in fact been an easy one. Only in the first revolutionary period of the bourgeoisie (in seventeenth-century England or in later eighteenth-century France) has there been real enthusiasm. In the nineteenth century, with the bourgeoisie in power, although the enormous profits to be won from the results of science led to universal official recognition, laudations and a somewhat stingy financial support, the suspicion was always present that the development of the scientific outlook might undermine the social foundations. Hence the gigantic battles of the nineteenth century over each advance of science. The leaders of nineteenth-century bourgeois science were still warriors in the midst of a widely hostile social camp. Educa-

tion was still in general jealously guarded on pre-scientific lines and under clerical control.

But what is conspicuous about the present period is that the offensive against science is to-day led, no longer merely by the professional reactionaries and clericalists, but above all by the majority of the more prominent, officially recognised and highly placed leaders of bourgeois science. The main bulk of the officially distinguished, be-knighted and decorated scientists of the bourgeoisie have openly joined the clerical camp. They proclaim with wearisome iteration the reconciliation of science and religion, the overthrow for the thousandth time of the errors of materialism, the limitations of scientific knowledge, and the supremacy of the " higher " aspects of life which cannot be approached along scientific lines. In a spate of lectures, essays, treatises and books, whose popular, vulgarising and often grossly unscientific character betrays their propagandist aim, they endeavour to utilise each new advance of research and discovery, not in order therefrom to reach a more scientific understanding of reality, but in order to throw doubt on the whole basis of science, and on this ground to proclaim the vindication of the particular tribal gods of their locality.

These utterances, still further vulgarised, are broadcast a millionfold by all the machinery of capitalist publicity as the " last word of science." In this way, at the same time as for technical and for strategical purposes science has to be more and more widely employed in practice, a basically reactionary and even anti-scientific outlook is endeavoured to be pumped into all the capitalist-controlled forms of " popular culture."

This transformation in outlook on the part of the responsible leaders of bourgeois science (with the honourable exceptions of a small and courageous minority) was recently illustrated in the treatment of the fiftieth anniversary of Darwin's death in 1932. This anniversary provided the opportunity for the entire forces of capitalist culture to proclaim, either the complete obsolescence of the theories of the hated Darwin, or alternatively, the complete reconciliation of Darwinism with the religious conceptions which he fought, and the final refutation of the atheism to which he secretly (Darwin's letter to Marx) adhered. The distinguished scientist and leading authority on Darwinism in England, Sir J. A. Thomson, wrote for general public consumption in the *Daily Telegraph* (April 19, 1932) under

the singular title: " Darwin Fifty Years After: We Now Accept Evolution, Yet Believe in a Creator ":

> There are some changes in our ideas since the hot-headed days that followed the publication of *The Origin of Species* in 1859.
>
> Thus many of us are clear that there is no inconsistency in accepting the evolution idea and yet believing in a Creator who ordained the original Order of Nature in some very simple form.
>
> The evolution theory does not try to " explain " things in the deeper sense. Evolutionists . . . leave to philosophy and religion all questions of purpose and meaning. This is a change for the better.

The shamefaced " agnosticism " of the nineteenth-century scientists has given place in the twentieth century to proclamation of " a Creator." This is an excellent example of the " progress backwards " of capitalism in decay.

A further example of the transformation was afforded by an inquiry into " The Religion of Scientists " conducted by the Christian Evidence Society and published under this title in 1932. A questionnaire was sent to all Fellows of the Royal Society; replies were received from 200. The results on some of the principal questions showed the following proportions:

1. Do you credit the existence of a Spiritual Domain?
   Favourable, 121; Intermediate, 66; Unfavourable, 13.
2. Is belief in evolution compatible with belief in a Creator?
   Favourable, 142; Intermediate, 52; Unfavourable, 6.
3. Does Science negative the idea of a personal God as taught by Jesus Christ?
   Favourable (to Christianity), 103; Intermediate, 71; Unfavourable, 26.

Thus, omitting the intermediates, a " Spiritual Domain " (the expression is explained in the book as having been intended to mean the denial of materialism) wins by 9 to 1. " God " (" a Creator ") wins by 23 to 1. Christianity wins by 4 to 1. These are the answers of a representative group of distinguished bourgeois scientists in 1932.

We are not here concerned with the philosophical or theoretical significance of this transformation. What is important for present purposes is the *social* significance and role of this development.

The general fact of this avowed transformation of outlook of the majority of outstanding official representatives of bourgeois

science, the loudly heralded movement against " materialism " and " the limitations of science," towards " idealism " and religion, is familiar ground. How far this alleged movement of opinion is really true of the best bourgeois scientists, or of the mass of younger working rank-and-file scientists, is less important than the fact that the dominant official influences both in the bourgeois scientific world, and in general bourgeois discussion, actively support, foster, patronise, encourage and in every possible way advertise and press forward this trend.

What is not equally clear to all is the direct connection of this ideological trend with the whole process of capitalism in decay. It is at once its reflection, and helps to carry it forward. The revolt against science, which bourgeois society to-day encourages in the ideological sphere, at the same time as it utilises science in practice, is not only the expression of a dying and doomed social class; it is an essential part of the campaign of reaction. This is the basis which helps to prepare the ground for all the quackeries and charlatanries of chauvinism, racial theories, anti-semitism, Aryan grandmothers, mystic swastikas, divine missions, strong-man saviours, and all the rest of the nonsense through which alone capitalism to-day can try to maintain its hold a little longer.

All this nonsense may appear on a cool view, when some particularly wild ebullition of a Hitler or a Goebbels about blood and the joy of the dagger and the Germanic man and the primeval forest, is produced, as highly irrational and even insane. But in fact it is as completely rational and calculated, for the present purposes of capitalism, as a machine-gun or a Zinoviev Letter election. There is method in the madness. For capitalism can no longer present any rational defence, any progressive role, any ideal whatever to reach the masses of the population. Therefore it can only endeavour to save itself on a wave of obscurantism, holding out fantastic symbols and painted substitutes for ideals in order to cover the reality of the universally hated moneybags. Fascism is the final reduction of this process to a completely worked out technique.

In unity with this revolt against science goes the general cultural reaction, the revolt against culture, the revolt against education, the cutting down of education in all capitalist countries, the increasing reactionary discipline and militarisation in the universities and schools, and—the final and complete

symbol of the culminating stage revealed by Fascism—the burning of the books.*

4. *The Revolt against "Democracy" and Parliament.*

This economic, social and ideological process finds also its political reflection.

From the outset of the imperialist era liberalism and parliamentarism has in fact been on the wane.

Parliamentary democracy was essentially the form through which the rising bourgeoisie carried through its struggle against feudalism and against old privileged forms, carrying the working class in their wake in this struggle. On this basis was built up liberalism in its heyday in the nineteenth century. The workers were drawn in the tow of bourgeois liberal politics. It was the achievement of Marxism to cut through this bondage. In Britain, where the capitalist world monopoly gave the bourgeoisie superior resources and the possibility to create a privileged section of a minority of the workers, Marxism made the slowest progress, and liberal-labour politics survived longest.

As the class struggle of the proletariat against the bourgeoisie began to replace the old struggle against the pre-bourgeois forms, a political shifting followed. The old Liberal Parties began to wane before Social Democracy; the bourgeoisie increasingly coalesced with the remnants of the older (monarchist, militarist, landowning) forces. Nevertheless, parliamentary democracy remained as the most useful basis of the bourgeoisie for the deception of the masses and holding in of the class struggle, so long as this means of restraining the workers was adequate.

To-day, when the intensification of the class struggle can no longer be held in by these forms, the bourgeoisie increasingly

* A sidelight from another angle of the anti-intellectual movement of capitalism in decline is afforded by the following extract from the technical journal, *The Illustrated Carpenter and Builder:*

"Nowadays admission to many factories depends on passing 'intelligence tests.' . . . These tests are not always designed to select the most intelligent of applicants; for in a certain Continental factory the management admit that they use intelligence tests to eliminate the alert and intelligent among the applicants, because the work is so sub-divided and mechanised that its monotony has the effect of turning intelligent workers into Communists."

It is a striking indication of the social and cultural decay inherent in the final stages of capitalism, when elaborate scientific methods begin to be used, no longer to promote, but to *eliminate* intelligence from among the workers, because intelligent workers become Communists.

turns its back on parliamentary democracy in favour of more direct and open forms of coercion and the authoritarian state. This is a measure of the weakening of the bourgeoisie.

The era of imperialism, of centralised monopoly capitalism, already increasingly made the parliamentary democratic forms a caricature. While in appearance the extension of the suffrage was increasing "democracy," in reality the governing role was being directly removed from parliament and concentrated in the executive, into the Cabinet, and from the Cabinet into the Inner Cabinet, and even into extra-parliamentary forms (Committee of Imperial Defence, etc.) wholly removed from " democracy," (so the preparation of the war of 1914: compare the statement of the Conservative, Lord Hugh Cecil, that the war was decided " not by the House of Commons or by the electorate, but by the concurrence of Ministers and Ex-Ministers," letter to the *Times*, April 29, 1916.) Corresponding to the realities of monopoly capitalism, the routine of government was in fact in the hands of an increasingly strengthened and centralised bureaucracy; effective power and the decision of policy lay with the handful of leaders of finance-capital; while the puppet-show of parliament, responsible Ministers, elections and nominally opposing parties, became increasingly recognised as a decorative appendage of the Constitution for purposes of window-dressing. This was equally conspicuous in the " democracies " of the United States, France and Britain.

Nevertheless, Liberalism enjoyed one last blooming in the earlier or pre-war period of imperialism—but in the new form of Liberal imperialism with its deceptive programme of " social reform." The super-profits of imperialism provided the means in the imperialist countries to endeavour to buy off the revolt of the advancing workers with a show of meagre concessions to a minority. Bismarck had already shown the way to utilise " social reform " legislation, alongside coercion, in order to endeavour to stem the advance of Socialism. On the basis of imperialist exploitation was built up the short-lived twentieth-century renaissance of Social Reform Liberalism of the Lloyd George era, which tried to stem the rising tide of working-class revolt with a loudly advertised show of concessions and concern for the " condition of the people," and with noisy campaigns of denunciation of the landlords and the aristocracy, while the real aims of imperialism and war-preparation were

pressed forward, and all the forces of the State were employed against the militant working-class struggle.

The Social Democratic and Labour Parties after the war tried to carry forward the role of Social Reform Liberal Imperialism, but under basically changed conditions—in a far more advanced stage of the class struggle, and in the midst of the crisis and decline of capitalism. Therefore they could not attain any corresponding measure of success; the appeal they could make to the masses on behalf of parliamentary reformism no longer evoked enthusiasm; the reforms they could achieve were limited by the economic crisis, the weakening national finances, and the weight of the war-debts they had to carry; the repressive and coercive measures they had to exercise against the class struggle were far heavier.

But even the limited measure of social reform concessions began to break down and dwindle under the pressure of the economic crisis. With the rising colonial revolts, the basis of imperialism began to weaken. The stream of super-profits diminished; the conflict of the rival monopolist capitalisms became more intense. Thus a reverse movement set in, no longer to the extension of social concessions, but on the contrary to the cutting down and withdrawal of concessions already granted. This process received its powerful demonstration in the history and fall of the Second Labour Government and the crisis of 1931.

From this point the class struggle is forced increasingly into the open, bursting through the thin cover of liberal and parliamentary democratic illusions. Even Social Democracy is forced to speak of the " collapse of reformism " and the " end of social reform," and the consequent inevitability of a " frontal " attack on capital (so the general propaganda line of the Leicester Labour Party Conference in 1932), at the same time as it merges in practice still more completely into alliance with monopoly capitalism and repression of the workers (the " Public Corporations " line, etc.). The confrontation of the working class and capitalism can no longer be covered by liberal and reformist pretences of improving conditions under capitalism.

From this point the demand becomes increasingly strong from the representatives of capitalism for the throwing aside or modification of the old parliamentary democratic forms, which no longer serve their purpose, and the establishment of open

and strengthened forms of repression and dictatorship. The revolt against "democracy" and "parliament," which was already marked in bourgeois circles before the war, but was still confined in direct expression to the narrower reactionary circles, now becomes general in all current expression. The demand of an Owen Young for a "holiday of parliaments" ("If a holiday of armaments is good, a holiday of parliaments would be better," speech at the Lotus Club, New York, on December 6, 1930); or of a Sir William Beveridge for "a world dictator" (Halley Stewart lecture in February 1932); or the announcement of a Gordon Selfridge to the American Chamber of Commerce in London on his return from the United States that "as an American he spoke to fifty representative men in America, and did not find one who disagreed with his view that democracy in that great country could not possibly succeed as a system of government . . . a country should be managed as a great business was managed" (*Times*, June 22, 1932): these and a thousand similar expressions are typical of the present outlook of the representatives of finance-capital, and are paralleled by the sceptical tone of the parliamentarians themselves, the openly anti-parliamentary tone of the Press, or of the once "progressive" literary intelligentsia (Shaw, Wells), no less than the direct attacks of a Churchill, Lloyd or Tardieu.

The Social Democratic and Labour Parties, moving parallel with capitalism, undergo a similar transformation of outlook, and begin to speak increasingly of the "limitations of parliament" and the necessity of strengthening "discipline" and "authority" in the State ("Neo-Socialism" in France, the Socialist League propaganda in England; see also Laski's *Democracy in Crisis*, 1933, and Vandervelde's *L'Alternative*, 1933. for the weakening of the old abstract-democratic assumptions),

The practice of modern capitalism moves increasingly away from parliamentary-democratic forms to strengthened and more open coercion and class-dictatorship. This applies not only to the directly Fascist states, but also to the diminishing number of imperialist states which still remain nominally "democratic." The Roosevelt emergency powers, and the National Government in Britain, represent stages and phases of a process of transformation, corresponding in some respects to the Brüning stage in Germany. Modern legislation increases the powers of the executive, of the bureaucracy and of the police, and more

and more restricts the limits of the legal working-class movement, of the right of meeting and association, and of the right to strike. This process of the " transformation of democracy " in the Western imperialist countries, and preparation of the ground for Fascism, is further examined in a later chapter.

The stream against parliamentary democracy is rising on all sides, although this does not mean that capitalism has yet exhausted its uses. But the real issue is commonly confused by the vulgar propagandist treatment that the attack on " democracy " is a parallel attack of Communism and Fascism. On the contrary. The critique of Communism or Marxism against capitalist democracy is not that it is " too democratic," but that it is " not democratic enough," that it is in reality only a deceitful cover for capitalist dictatorship, and that real democracy for the workers can only be achieved when the proletarian dictatorship breaks the power of the capitalist class. The movement of modern capitalism, on the other hand, against parliamentary democracy is a movement to strengthen repression of the working class and establish the open and violent dictatorship of monopoly capital. The reality of this issue between oligarchic dictatorship and working-class freedom breaks through the old illusory trappings of parliamentary democracy.

5. " *National Self-Sufficiency.*"

A no less strongly marked expression of the modern tendencies of capitalism is the movement towards so-called " national self-sufficiency," " autarchy," " national planning," " isolationism," etc. This tendency has come most strongly to the front since the world economic crisis, and the breakdown of the World Economic Conference revealed its strength. This development is the logical working out of imperialist decay.

Of this tendency as the dominant tendency in the latest phase of world politics the League of Nations economic expert, Sir Arthur Salter, wrote in his standard work *Recovery* in 1931 :

> World trade may be restricted to small dimensions, through every country excluding imports of everything which (at whatever expense) it can make or produce at home. Along this line of development, America might withdraw within herself, arresting and almost abandoning her foreign investments, sacrificing her export trade, and cultivating an isolated self-sufficiency

on the lower level of prosperity which this would necessitate. As the world closed against her, Great Britain might be forced to supplement such preferential trade with the Dominions and India as may be practicable, with a policy of exploiting and closing in her non-self-governing Empire from the rest of the world, against all the traditions and principles of her history. This line of development would mean loss to every country, impoverishment to countries like Switzerland which have no similar resources, and an organisation of the world into separate units and groups which would soon be dangerous and ultimately fatal to world peace. It is along this path that the world is now proceeding.

(Sir Arthur Salter, *Recovery*, pp. 192-3.)

This description, although faithfully reflecting one side of the tendency, and to some extent indicating the possible outcome, is not a fully correct description of the actual process. For, while the propaganda speaks in terms of internal self-sufficiency, the reality of the policy remains the fight of the imperialist powers, on the basis of this strengthened internal organisation, *for the world market.*

In fact, the movement towards the closed monopolist area is not in itself new, but is inherent in the whole development of imperialism, whose essential character is the denial and ending of free trade. What is new is only the extreme intensity with which this monopolist policy is now pursued, and the complexity of the weapons which are now brought into play for its realisation.

Not only the old tariff weapons, which are now brought to unheard of heights, but a host of new weapons—surtaxes variable at a moment's notice, quotas, embargos, exchange restrictions, currency control, complex trade alliances, State subsidies, and direct State economic control—are now brought into play by the imperialist giants in their ever more desperate conflict for closed markets, for privileged areas of exploitation, and for control of the sources of raw materials.

The intensified conflict of the imperialist Powers for the shrinking world market makes this development to new and ever fiercer weapons of economic warfare, and essentially reactionary choking of the channels of free world trade, not merely some foolish and mistaken policy of particular statesmen, but the *inevitable* development and working out of the inner laws of imperialism. In vain the theoretical economic experts of the League of Nations throw up their hands in distress and deplore

the universal " loss " and " impoverishment " caused by such politics; in vain the international conferences of economic experts, as at Geneva in 1927, pass unanimous resolutions condemning the destructive barbarism of such intensified economic warfare and calling for its reversal. The reality moves in the opposite direction to the resolutions. For there is no world capitalism as a whole to adopt the " enlightened " policies so patiently and incessantly held out by the economic theorists and would-be reformers of capitalism; just here is the cardinal error of the Salters and all their company.* There is only the conflict of the rival imperialist powers; and in the conditions of this conflict the statesmen and leaders of finance-capital, however much they may regret the cost and the losses involved, see no alternative to the policies they find themselves compelled to pursue if they are not to go under. In the words of the British Chancellor of the Exchequer, on the eve of the World Economic Conference, explaining the necessity of maintaining economic warfare:

> Much as all of us regretted the economic warfare which had arisen between us and other countries, we must maintain that warfare as long as it was the other countries which had taken the aggressive.
> (Neville Chamberlain in the House of Commons, June 2, 1933.)

" We must maintain that warfare; " the fault lies with " the other countries." This is the keynote of all the imperialist powers.

The most important expression of this transformation of

* It is characteristic of this whole school that, after recording a hundred previous disappointments, Sir Arthur Salter concludes his Preface to the *Seventh* Edition of *Recovery* on January 1, 1933, with the hopeful statement:

> " The World Economic Conference affords the next occasion for a great constructive effort."

The history of 1933 provided the comment. Indeed, even the professional optimists of capitalism begin to lose heart. Salter writes further in the same Preface:

> " The whole system under which our rich heritage of Western civilisation has grown up is at stake. Its fate depends, not only upon deliberate and concerted governmental action, but also upon constructive reform by those who organise and direct policy through every main sphere of economic activity. The sands are running out; but it is still not—quite—too late."

This was at the beginning of 1933 before the further aggravation of the issues during 1933. In fact, it was always " too late " from the outset for the imagined " constructive reform by those who organise and direct policy through every main sphere of economic activity," because in the conditions of post-war imperialism such " constructive reform " never was, and never could be, other than a Liberal civil servant's myth.

policy in the present period was the passing of British Imperialism in 1932 from the old free-trade basis to a general tariff and the policy of the closed Empire. The long survival of free trade in Britain reflected the remnants of the old commercial and financial world domination. The Chamberlain propaganda in the beginning of the imperialist era, and the strongly reinforced Empire Economic Unity propaganda after the war showed the pressing forward of the new forces. As late as 1926 the Bankers' Manifesto issued in that year still called for a general movement to lower tariffs and free trade. The Bankers' Manifesto of 1930, signed by all the most important financial leaders, marked the decisive turn, and the end of the last remains of the old era, with its declaration:

> The immediate step for securing and extending the market for British goods lies in reciprocal trade agreements between the nations constituting the British Empire.
>
> As a condition of securing these agreements, Great Britain must retain her open market for all Empire products, while being prepared to impose duties on all imports from all other countries.

The Ottawa Conference of 1932 marked the attempt to carry out this policy. Although in relation to the Dominions heavy concessions from Britain have only won small and doubtful gains, in relation to India and the Crown Colonies the policy is being pressed forward at full strength. The subsequent elaborate trading negotiations for exclusive agreements, the agricultural quota arrangements, and the use of the currency weapon to endeavour to organise a " sterling bloc," all mark the development of the new system.

Attempts are frequently made to present the new phase of intensified monopolist conflict in idealist form under cover of the slogans of " national planning," " national self-sufficiency,' etc., or to compare it with the entirely opposite process of socialist construction of the Soviet Five-Year Plan. The manifest economic breakdown of the capitalist anarchy, contrasted with the simultaneous gigantic advance of the Soviet Five-Year Plan, led to an outburst of talk of " planning " in the capitalist world. A World Planning Congress was held at Amsterdam in 1931. A myriad abortive schemes for Five-Year Plans, Ten-Year Plans and Twenty-Year Plans were put forward in all the capitalist countries. The Trades Union Congress in 1931, true

to its line of alliance with capitalism and worship of " organised capitalism," adopted a resolution which declared:

This Congress welcomes the present tendency towards a planned and regulated economy in our national life.

(Belfast Trades Union Congress resolution, 1931.)

Needless to say, this description of the real process which is taking place is a complete deception. The conditions of private ownership of the means of production, and of production for profit, negate the elementary conditions for any real scientific economic planning, which requires a single ownership of the means of production and the organisation of production for use. The reality which is described under the euphemism of " a planned and regulated economy in our national life " is intensified monopolist organisation in a given imperialist area (not national area) for the purposes of sharpened world imperialist conflict and increased exploitation of the workers.

The complete passing over of the previous progressive elements in capitalism to the new reactionary policies is illustrated by the conversion of the former leading Liberal economic theorist, Keynes, in his articles on " National Self-Sufficiency " (*New Statesman and Nation*, July 8 and 15, 1933). Keynes writes:

I was brought up, like most Englishmen, to respect Free Trade not only as an economic doctrine which a rational and instructed person could not doubt but almost as a part of the moral law. I regarded departures from it as being at the same time an imbecility and an outrage. I thought England's unshakable Free Trade convictions, maintained for nearly a hundred years, to be both the explanation before man and the justification before heaven of her economic supremacy. As lately as 1923 I was writing that Free Trade was based on fundamental truths " which, stated with their due qualifications, no one can dispute who is capable of understanding the meaning of words."

Looking again to-day at the statements of these fundamental truths which I then gave, I do not find myself disputing them. Yet the orientation of my mind is changed; and I share this change of mind with many others.

He then sets out the drawbacks of which he has become aware in the working out of the system of international capitalism, and reaches the conclusion:

I sympathise therefore with those who would minimise, rather than

those who would maximise economic entanglements between nations. . . . I am inclined to the belief that, after the transition is accomplished, a greater measure of national self-sufficiency and economic isolation between countries than existed in 1914 may tend to serve the cause of peace rather than otherwise.

More fully, he declares:

We wish to be as free as we can make ourselves from the interferences from the outside world. . . . Ideas, knowledge, art, hospitality, travel—these are the things which should of their nature be international. But let goods be homespun whenever it is reasonably and conveniently possible, and above all let finance be primarily national.

It will be seen that the outlook of Keynes has begun to approximate to that of Hitler. This is a valuable measure of capitalism in decay.

The reality behind the phraseology of a Keynes or other capitalist " national planners " must not be misunderstood. The belated discovery by Keynes of the naive, subjective and uncritical assumptions on which the old traditional " economic science " of the bourgeoisie, especially in its centre in England, was always based, does not here concern us. Marx long ago—in the middle nineteenth century—before, not after the event—laid bare the local, temporary and insular character of the free trade economic theory as only the reflection of the historically caused British capitalist supremacy; and showed also how this phase would necessarily pass, how British capitalist supremacy would disappear, and with it the accompanying free trade theory, and liberal free trade capitalism would pass into monopolist capitalism and the period of decay. However, the empiricist can only learn from the behind-side of history; only the impact of the event compels the bourgeois professors of economics to begin to grope for the source of their errors. Keynes, the faithful believer in the divine ordainment of free trade and British economic supremacy until 1923, in 1933 announces his disillusionment with the pride of a pioneer.

What is important, however, is that this disillusionment or " change of mind " which he " shares with many others " is only the reflection of the change of capitalism, which he translates into universal conclusions in exactly the same subjective and uncritical way as the old free trade theory which he now condemns. For in fact, the issue is no longer between inter-

national free trade capitalism and monopolist capitalism in its modern forms. That issue has long been settled in practice. At the present time history has placed on the order of the day a different issue, of which he is unaware. The daring " advance " which he believes himself to have made in his thought, with his conversion from old liberal fetishes to " national self-sufficiency," leaves him in reality still well in the rear of events as the faithful servitor of the ruling class; he has simply passed from being the servitor of one phase of capitalism to becoming the servitor of the next.

In reality, " national self-sufficiency " is only the ideal cover for the modern forms of monopolist capitalism, extreme intensification of antagonisms, and advance to Fascism and war.

Just as the imperialist blocs cover their predatory wars for the spoils of the world under cover of the slogan of " national defence," so they seek increasingly to-day to cover their monopolist economic organisation and warfare under cover of the slogan of " national self-sufficiency."

It is this advance to war which is the essential significance concealed behind the slogan of " national self-sufficiency."

6. *War as the Final " Solution."*

The culmination and final working out of all the new policies of capitalism under the stress of the world crisis is the advance to the second world war.

As the world economic crisis deepens and extends, it becomes more and more clear to the leaders of capitalism that no peaceful, constructive solution of the crisis is possible. International conference after international conference breaks down. Even such limited success as attends the measures of reorganisation, of strengthening and tightening up of monopolist economy and aggressive power, within each imperialism, only leads to the intensification of the world crisis as a whole. There is a renewed and ever more feverish pressing forward of armaments on all sides, and of industries connected with armaments. The World Disarmament Conference breaks down. The issue of " disarmament " passes into the issue of " re-armament." The war in the Far East, opened by Japan in 1931, develops with the development of the world economic crisis.

The short-lived " revival " of world production in certain branches of industry in the summer of 1933 illustrated this

process. This " revival " bore no relation to any solving of the basic contradictions underlying the crisis, which on the contrary became intensified. The disparity between production and consuming power increased. The " revival " was in fact openly a reflection of the gathering war process, a direct outcome of typical war-measures of inflation, state mobilisation of industry and increase of production of armaments and of industries associated with armaments. It was not accompanied by any corresponding revival of trade. For what market was this State-organised stimulation of production, most signally typified in the Roosevelt plan, being directed? The answer became increasingly clear with the development of events. The " future market " was to be the market of war.

The expression now begins to become open in capitalist circles that the only final " solution " of the crisis is war. In *The Means to Prosperity*, issued in 1933, Keynes notes the trend:

> Cynics . . . conclude that nothing except a war can bring a major slump to its conclusion.

The New York financial journal, the *Annalist*, writes in the spring of 1933:

> That there is a large possibility of a European war in the very near future can hardly be denied recognition. . . . We were lifted from a business depression in 1914 by the outbreak of a great war. It would be a curious repetition of function if another war should again come to our industrial rescue.
>
> (New York *Annalist*, March 17, 1933.)

For the wolves and jackals of finance-capital, war represents " our industrial rescue."

The propaganda of war spreads. War begins to be presented as the heroic alternative, the last hope, the " way out " from the unending nightmare of economic crisis, misery and unemployment. Fascism, the most complete expression of modern capitalism, glorifies war. The filthy sophism " War means Work " begins to be circulated by the poison agencies of imperialism, and filters down to the masses. As Carlyle, in whom many antecedents of Fascism can be traced, wrote in his *Sartor Resartus:* " The lower people everywhere desire war. Not so unwisely; there is then a demand for lower people—to be shot." It is a measure of the stage reached by capitalist civilisation that to-day, before the leading capitalist countries—

other than Japan—are yet directly involved in war, while there are still nominally conditions of peace, it is possible for such an argument to be seriously presented and widely repeated and actually discussed, that murder is the only way to provide men and women with work and livelihood.

All to-day see the ever more visible approach of war. Rising alarm is expressed in many quarters of bourgeois opinion who see the ruin and destruction of the entire existing society involved in the menace of renewed world war. But these sections of anti-war opinion see only the question of war in isolation, and concentrate their efforts on capitalist "machinery" to avoid war, without realising that such machinery of imperialism can only function as machinery to organise the future war in the name of "ideal" symbols. Bourgeois pacifism, attached to the official League of Nations, and preaching passivity and non-resistance to the masses, becomes an indispensable part of the war-preparations of imperialism, and as such officially recognised and encouraged by all the war-making statesmen of imperialism. All the statesmen of imperialism, Roosevelt and MacDonald, Henderson and Paul-Boncour, Mussolini and Hitler, are to-day "pacifists" in their public utterances—and are actively pressing forward the preparation of imperialist war.

War is only the continuation and working out of the crisis of capitalism and of the present policies of capitalism. It is inseparable from these, and cannot be treated in isolation. All the policies of capitalist reorganisation, all the policies of Fascism, can only hasten the advance to war. This is equally true of the line of a Roosevelt, a MacDonald or a Hitler. War is no sudden eruption of a new factor from outside, a vaguely future menace to be exorcised by special machinery, but is already in essence implicit in the existing factors, in the existing driving forces and policies of capitalism.

All the existing policies of capitalism are policies of ever-sharpening war: of ever more formidably organised imperialist blocs; of tariff-war, of gold-war, of currency-war; of war with every possible economic, diplomatic and political weapon. It is no far step from these to the final stage of armed war.

All the existing policies of capitalism are more and more dominantly policies of destruction. The capitalists are to-day the destructive force in human society. All their most typical

modern policy, from super-tariffs and debt-enslavement of whole states to burning foodstuffs and devastating cotton plantations, from dismantling plant and machinery to throwing millions of skilled and able workers on the scrap-heap of starvation, is a policy of destruction of human effort and labour, strangling of production, destruction of life. War is only a continuation of this policy. It is no far step from spending millions of pounds to buy up machinery in order to destroy it, to spending millions to produce guns and warships and munitions to be blown up into the air. It is no far step from condemning millions of human beings to the death-in-life of unemployment as " superfluous," to the final solution of disposing of their lives and bodies by bomb and gas and chemical, for the greater profit of whatever group of capitalists can gain most in the redivision of the world by the holocaust.

But this does not mean that war, any more than Fascism, presents the final " solution " of the crisis of capitalism. On the contrary. War, like Fascism, is to-day the outcome of the intensified contradictions of capitalist society in decay; but neither solve those contradictions. On the contrary, both bring out those contradictions to the most extreme point, organise upon their basis, and lay bare the deep disintegration of existing society, both internally and internationally, to the point of destruction. The crisis extends and develops through these forms to yet greater intensity, and thereby only reveals the more sharply that the sole final solution lies in the social revolution.

CHAPTER IV

WHAT IS FASCISM?

WHAT is Fascism?

In the first three chapters of this book attention has been deliberately concentrated on the developing tendencies of modern capitalist society as a whole since the war, in place of limiting attention to the distinctively "Fascist" countries—Italy, Germany, etc.

Such a survey has revealed how close is the parallel which can be traced in every field, economic, political and ideological, between the increasingly dominant tendencies of theory and practice of all modern capitalism since the war and the professedly peculiar theory and practice of Fascism.

Fascism, in fact, is no peculiar, independent doctrine and system arising in opposition to existing capitalist society. Fascism, on the contrary, is the most complete and consistent working out, in certain conditions of extreme decay, of the most typical tendencies and policies of modern capitalism.

What are these characteristics which are common, subject to a difference in degree, to all modern capitalism and to Fascism? The most outstanding of these characteristics may be summarised as follows:

1. The basic aim of the maintenance of capitalism in the face of the revolution which the advance of productive technique and of class antagonisms threatens.
2. The consequent intensification of the capitalist dictatorship.
3. The limitation and repression of the independent working-class movement, and building up of a system of organised class-co-operation.
4. The revolt against, and increasing supersession of, parliamentary democracy.
5. The extending State monopolist organisation of industry and finance.
6. The closer concentration of each imperialist bloc into a single economic-political unit.

7. The advance to war as the necessary accompaniment of the increasing imperialist antagonisms.

All these characteristics are typical, in greater or lesser degree, of all modern capitalist states, no less than of the specifically Fascist states.

In this wider sense it is possible to speak of the development towards Fascism of all modern capitalist states. The examples of the Roosevelt and Brüning regimes offer particular illustrations of near-Fascist or pre-Fascist stages of development towards complete Fascism within the shell of the old forms. Nor is it necessarily the case that the development to Fascism takes the same form in detail in each country.

The sum-total of the policies of modern capitalism provide already in essence and in germ the sum-total of the policies of Fascism. But they are not yet complete Fascism. The completed Fascist dictatorship is still only so far realised over a limited area. What is the specific character of complete Fascism? The specific character of complete Fascism lies in the *means* adopted towards the realisation of these policies, in the new *social and political mechanism* built up for their realisation.

This is the specific or narrower significance of Fascism in the sense of the Fascist movements or the completed Fascist dictatorships as realised in Italy, Germany and other countries. Fascism in this specific or narrower sense is marked by definite familiar characteristics: in the case of the Fascist movements, by the characteristics of terrorism, extra-legal fighting formations, anti-parliamentarism, national and social demagogy, etc.; in the case of the completed Fascist dictatorships, by the suppression of all other parties and organisations, and in particular the violent suppression of all independent working-class organisation, the reign of terror, the " totalitarian " state, etc.

It is to this specific sense of Fascism, that is to say, to fully complete Fascism, that we now need to come.

1. *The Class-Content of Fascism.*

What, then, is Fascism in this specific or narrower sense?

The definitions of Fascism abound, and are marked by the greatest diversity and even contradictory character, despite the identity of the concrete reality which it is attempted to describe.

Fascism, in the view of the Fascists themselves, is a spiritual

reality. It is described by them in terms of ideology. It represents the principle of " duty," of " order," of " authority," of " the State," of " the nation," of " history," etc.

Mussolini finds the essence of Fascism in the conception of the " State ":

> The foundation of Fascism is the conception of the State, its character, its duty and its aim. Fascism conceives of the State as an absolute, in comparison with which all individuals or groups are relative. . . . Whoever says Fascism implies the State.
>
> (Mussolini's article on " Fascism " in the *Enciclopædia Italiana*, 1932, published in English under the title " The Political and Social Doctrine of Fascism," 1933.)

We further learn that " Fascism believes in holiness and in heroism "; " the Fascist conceives of life as duty and struggle and conquest, life which should be high and full, lived for oneself, but above all for others "; " Fascism combats the whole complex system of democratic ideology "; " Fascism believes neither in the possibility nor the utility of perpetual peace "; " the Fascist State is an embodied will to power "; " the Fascist State is not indifferent to the fact of religion "; " for Fascism the growth of Empire is an essential manifestation of virility "; " Fascism denies the materialist conception of happiness as a possibility "—and similar profound, and hardly very original philosophisings in an endless string, the ordinary stock-in-trade of all Conservatism.

Luigi Villari, the semi-official exponent of Fascism in the *Encyclopædia Britannica*, writes:

> The programme of the Fascists differs from that of other parties, as it represents for its members not only a rule of political conduct, but also a moral code.

Mosley in his *Greater Britain*, the official handbook of British Fascism, explains:

> The movement is Fascist (1) because it is based on a high conception of citizenship—ideals as lofty as those which inspired the reformers of a hundred years ago; (2) because it recognises the necessity for an authoritative State, above party and sectional interests.

The Fascist, the organ of the Imperial Fascist League, defines Fascism (in its issue of August 1933):

> Fascism is defined as a patriotic revolt against democracy, and

a return to statesmanship. Fascist rule insists upon the duty of co-operation.

Fascism itself is less a policy than a state of mind. It is the national observance of duty towards others.

It is manifest that all this verbiage is very little use to bring out the real essential character of Fascism.

In the first place, all these abstract general conceptions which are paraded as the peculiar outlook of Fascism have no distinctive character whatever, but are common to a thousand schools of bourgeois political philosophy, which are not yet Fascist, and in particular to all national-conservative schools. The generalisations of " duty of co-operation," " duty towards others," " life as duty and struggle," " a high conception of citizenship," " the State above classes," " the common interest before self " (motto of the German National Socialist Programme), are the dreary commonplaces of all bourgeois politicians and petty moralisers to cover the realities of class domination and class-exploitation. The professedly distinctive philosophy of the idealisation of the State as an " absolute end " transcending all individuals and sections is only the vulgarisation of the whole school of Hegel and his successors, constituting the foundation of the dominant school of bourgeois political philosophy. In all these conceptions there is not a trace of original or distinctive thought.

In the second place, it is in fact incorrect to look for an explanation of Fascism in terms of a particular theory, in ideological terms. Fascism, as its leaders are frequently fond of insisting, developed as a movement in practice without a theory (" In the now distant March of 1919," says Mussolini in his Encyclopædia article, " since the creation of the Fascist Revolutionary Party, which took place in the January of 1915, I had no specific doctrinal attitude in my mind "), and only later endeavoured to invent a theory in order to justify its existence. Fascism, in fact, developed as a movement in practice, in the conditions of threatening proletarian revolution, as a counter-revolutionary mass movement supported by the bourgeoisie, employing weapons of mixed social demagogy and terrorism to defeat the revolution and build up a strengthened capitalist state dictatorship; and only later endeavoured to adorn and rationalise this process with a " theory." It is in this actual historical process that the reality of Fascism must be

found, and not in the secondary derivative attempts *post festum* at adornment with a theory.

No less unsatisfactory are the attempted anti-Fascist interpretations of Fascism in terms of ideology or abstract political conceptions. The conventional anti-Fascist ideological interpretations of Fascism see in Fascism only the principle of " dictatorship " or " violence." This approach, which is the hallmark of the liberal and social democratic schools of thought in relation to Fascism, sees Fascism as the parallel extreme to Communism, both being counterposed to bourgeois " democracy." Fascism is defined as " Dictatorship from the Right " in contrast to Communism as " Dictatorship from the Left " (this line is characteristically expressed in the Labour Party Manifesto of March 1933, on " Democracy versus Dictatorship " in explanation of the Labour refusal of the united working-class front against Fascism).

It is evident that this definition of Fascism is equally useless as an explanation of the real essential character of Fascism.

" Dictatorships from the Right " have existed and can exist in hundreds of forms without in any sense constituting Fascism. Tsarism was a " Dictatorship from the Right." But Tsarism was not Fascism. The White Guard dictatorships immediately after the war for crushing the revolution were " Dictatorships from the Right." But these White Guard dictatorships were not yet Fascism, and only subsequently began to develop Fascist characteristics as they began to try to organise a more permanent basis (subsequent evolution in Hungary and Finland). Fascism may be in fact a reactionary dictatorship. But not every reactionary dictatorship is Fascism. The specific character of Fascism has still to be defined.

Wherein, then, lies the specific character of Fascism?

The specific character of Fascism cannot be defined in terms of abstract ideology or political first principles.

The specific character of Fascism can only be defined by laying bare its *class-basis*, the system of *class-relations* within which it develops and functions, and the *class-role* which it performs. Only so can Fascism be seen in its concrete reality, corresponding to a given historical stage of capitalist development and decay.

As soon, however, as we endeavour to come to the class-

analysis of Fascism we find ourselves confronted with a diametrical opposition of two viewpoints.

In the one viewpoint Fascism is presented as an independent movement of the middle class or petit-bourgeoisie in opposition to both the proletariat and to large-scale capital.

In the other viewpoint Fascism is presented as a weapon of finance-capital, utilising the support of the middle class, of the slum proletariat and of demoralised working-class elements against the organised working class, but throughout acting as the instrument and effective representative of the interests of finance-capital.

Only when we have cleared this opposition, and what lies behind it, can we finally come to the real definition of Fascism.

2. *Middle-Class Revolution or Dictatorship of Finance-Capital?*

Fascism is commonly presented as a " middle-class " (i.e., petit-bourgeois) movement.

There is an obvious measure of truth in this in the sense that Fascism in its inception commonly originates from middle-class (petit-bourgeois) elements, directs a great deal of its appeal to the middle class, to small business and the professional classes against the organised working class and the trusts and big finance, draws a great part of its composition, and especially its leadership, from the middle class, and is soaked through with the ideology of the middle class, of the petit-bourgeoisie under conditions of crisis. So far, there is common agreement as to the obvious facts.

But Fascism is also often presented as a middle-class movement in the sense of an *independent* movement of the middle class, as a " third party " independent of capital or labour, *in opposition* to both the organised working class and large-scale capital. The Fascist dictatorship is accordingly presented as a " conquest of power " by the middle class in opposition to both the organised working class and to the previous domination of finance-capital.

This conception is common in liberal and social democratic treatment of Fascism.

Thus the liberal-labour *New Statesman and Nation* writes (October 28, 1933):

The collapse of capitalism does not at all necessarily lead to the seizure of power by the proletarians, but more probably to the

dictatorship of the middle class. This is surely the Achilles heel of Communist theory.

Brailsford, the leading theorist of English Social Democracy, writes:

If the Marxist conception of history be sound, somewhere surely on the surface of this stricken planet the increasing misery of the workers should have produced some aggressive stirring. That is nowhere the case.

There is, however, an aggressive class which has made in one great industrial country its revolutionary stroke. The German Nazis are emphatically the party of the small middle class. . . .

This class rose and captured the machinery of the State, because it was " miserable " and desperate. It shrank in terror from the menace of large-scale commerce.

(H. N. Brailsford, " No Hands Wanted," *New Clarion*, July 8, 1933.)

And again:

A militant middle class, with its dare-devil younger generation to lead it, faces the organised workers. If on both sides there has developed a distrust in parliamentary procedure, and a contempt for its dilatory and irresolute ways, the issue between them can be decided only by force.

The class which first decides to organise itself for this new phase will enter the contest with an overwhelming advantage.

(H. N. Brailsford, " Will England Go Fascist? " *News-Chronicle*, November 28, 1933.)

The *Socialist Review* in January 1929 published an article entitled " The Third Nation," arguing that " the assumption at the root of all Communist theory " of a basic division between the capitalists and the proletariat as the decisive issue of modern society was false:

Apart from the capitalists and the proletariat—and between them —there is a third class. Here, then, is the fundamental question for Marxists: Does this class exhibit the characteristics of a subject class, about to make a bid for supremacy?

A possible answer is that, in one country—Italy—they have already emerged as a revolutionary class. The Fascist revolution was essentially a revolution of the third class.

The American would-be " Marxist " journal, the *Modern Monthly*, says in an editorial on " What is Fascism? ":

The first task of the Fascist dictatorship was to wrest state power

from the hands of the private bankers, industrialists and landlords who possessed it. . . .

The Fascist dictatorship, it is clear, then, became possible only because of the two factors above noted: first, the crisis in imperialism and the consequent collapse of ruling-class power and policy, and, secondly the rise of a belligerent lower middle-class which provided a mass basis for its assumption of power.

(V. F. Calverton in the *Modern Monthly*, July, 1933.)

Even Scott Nearing's otherwise fruitful and valuable study of " Fascism " is marred by this same basic theory of Fascism as a petit-bourgeois revolution:

At the centre of the Fascist movement is the middle class, seeking to save itself from decimation or annihilation by seizing power and establishing its own political and social institutions. It therefore has the essential characteristics of a social revolutionary movement, since its success means the shift of the centre of power from one class to another. . . .

Fascism arises out of the revolt of the middle class against the intolerable burdens of capitalist imperialism.

(Scott Nearing, " Fascism," *Vanguard Press*, New York, p. 42.)

This separation of Fascism from the bourgeois dictatorship reaches its extreme point in the official Labour Party and Trades Union Congress organ, the *Daily Herald*, which, on May 2, 1933, after the full demonstration of the real character of Hitlerism in practice, still looked hopefully towards it to carry out some form of " socialist " programme against big capital:

The " National-Socialists," it is essential to remember, call themselves " Socialist " as well as " National." Their " Socialism " is not the Socialism of the Labour Party, or that of any recognised Socialist Party in other countries.

But in many ways it is a creed that is anathema to the big landlords, the big industrialists and the big financiers.

And the Nazi leaders are bound to go forward with the " Socialist " side of their programme.

(*Daily Herald* editorial on " Hitler's May Day," May 2, 1933.)

Thus Fascism in the view of the Labour Party is almost a wing of Socialism, a rather unorthodox variety of Socialism, but " anathema to the big landlords, the big industrialists and the big financiers " (who, curiously enough, maintained it in funds

and finally placed it in power). The same day that this article appeared in the British Labour and trade union organ, this party whose creed was " anathema to the big landlords, the big industrialists and the big financiers " seized and closed down the workers' trade unions in Germany.

It is evident that this view of Fascism as a petit-bourgeois revolution against the big bourgeoisie is incorrect in fact, and dangerous in the extreme to any serious understanding of the real character of Fascism and of the fight against it.

That it is incorrect in fact is manifest from the most elementary survey of the actual history, development, basis and practice of Fascism. The open and avowed supporters of Fascism in every country are the representatives of big capital, the Thyssens, Krupps, Monds, Deterdings and Owen Youngs.

Fascism, although in the early stages making a show of vague and patently disingenuous anti-capitalist propaganda to attract mass-support, is from the outset fostered, nourished, maintained and subsidised by the big bourgeoisie, by the big landlords, financiers and industrialists.*

Further, Fascism is only enabled to grow, and is saved from being wiped out in the early stages by the working-class move-

* See Mowrer, *Germany Puts the Clock Back*, 1933, p. 117, for a characteristic report of a private conversation of a leading Jewish banker in Berlin who " to a somewhat bewildered gathering in a drawing-room in plutocratic Berlin unctuously explained how for years he had been a heavy subsidiser of the National Socialists." The financial backing of Hitler by big industry was already laid bare in the Hitler-Ludendorff trial of 1924 and in the Bavarian Diet Investigation Committee. " In later years the list of the alleged financial patrons of the National Socialist Movement became extremely long. Factory owners, managers, general counsel (syndici) were as thick as they might be on the subscription list of the Republican National Committee in the United States " (Mowrer, p. 144). Foreign supporters were stated to include Deterding, Kreuger and Ford. Paul Faure stated in the French Chamber of Deputies on February 11, 1932, that the foreign financial backers of the Nazis included the directors of the Skoda armaments firm, controlled by Schneider-Creusot. The reader should consult Ernst Henri's *Hitler Over Europe* (1934) for the most detailed examination of the financial backing and control of National Socialism since 1927 by the Ruhr Steel Trust elements dominated by Thyssen: " Thyssen persuaded the two political centres of German Ruhr capital, the ' Bergbauverein Essen ' and the ' Nordwestgruppe der Eisen-und Stahlindustrie ' to agree that every coal and steel concern had, by way of a particular obligatory tax, to deliver a certain sum into the election funds of the National Socialists. In order to raise this money, the price of coal was raised in Germany. For the Presidential elections of 1932 alone Thyssen provided the Nazis with more than 3 million marks within a few days. Without this help the fantastic measures resorted to by the Hitler agitation in the years 1930-1933 would never have been possible " (pp. 11-12). For the general policy, see the statement of the *Deutsche Führerbriefe*, or confidential bulletin of the Federation of German Industries, quoted in the next chapter.

ment, solely through the direct protection of the bourgeois dictatorship. Fascism is able to count on the assistance of the greater part of the State forces, of the higher army staffs, of the police authorities, and of the lawcourts and magistracy, who exert all their force to crush working-class opposition, while treating Fascist illegality with open connivance (banning of the Red Front alongside permission of the Storm Troops).*

Finally, has Fascism " conquered power " from the bourgeois state dictatorship? Fascism has never " conquered power " in any country. In every case Fascism has been placed in power from above by the bourgeois dictatorship. In Italy Fascism was placed in power by the King, who refused to sign the decree of martial law against it, and invited Mussolini to power; Mussolini's legendary " March on Rome " took place in a Wagon-Lit sleeping-car. In Germany Fascism was placed in power by the President, at a time when it was heavily sinking in support in the country, as shown by the elections.

The bourgeoisie, in fact, has in practice passed power from one hand to the other, and called it a " revolution," while the only reality has been the intensified oppression of the working class.

After the establishment of the full Fascist dictatorship, the policy has been still more openly and completely, despite a

* For the protection of Fascism by the lawcourts and police, and savage vindictiveness against all working-class defence, see Mowrer, *op. cit.*, Ch. xviii. For the same process in Italy, see Salvemini, *The Fascist Dictatorship*, Vol. I. Salvemini relates (p. 71) how in 1920 the Liberal Giolitti Cabinet, with Bonomi, the Reformist Socialist, as Minister for War, " thought that the Fascist offensive might be utilised to break the strength of the Socialists and Communists " and " therefore allowed the chiefs of the Army to equip the Fascists with rifles and lorries and authorised retired officers and officers-on-leave to command them." The " March on Rome " was led by six Army Generals (p. 153). The pro-Fascist *Survey of Fascism*, 1928, admits that Fascism in Italy grew up " not without a certain toleration and even some assistance from high quarters " (p. 38). Mowrer confesses himself unable to understand why the pre-Fascist governments in Germany tolerated the growth of Fascism. " It is inconceivable that any German Chancellor, even a clerical militarist like Heinrich Brüning, should have allowed the constitution and training of such a force, armed or unarmed. Why he did so has never been satisfactorily settled—perhaps never will be " (p. 277). There is no mystery, no more with Brüning than with Giolitti, once the class realities of bourgeois policy and Fascism are clearly understood. In Germany, the officers who led the Kapp Putsch were never sentenced; a worker who shot a Kapp rebel was sentenced to fifteen years hard labour. Hitler, for his armed revolt against the State in 1923, was given a light sentence of detention, and released in a few months. The beginnings of the same process of discrimination by the lawcourts, with leniency to the early hooliganism of the nascent Fascist movements and savage sentencing of workers' attempts at self-defence, are already visible in Britain.

show of a few gestures of assistance to small capital, the most unlimited and ruthless policy of monopolist capital, with the whole machinery of Fascism mercilessly turned against those of its former supporters who have been innocent enough to expect some anti-capitalist action and called for a "second revolution."*

Fascism, in short, is a movement of mixed elements, dominantly petit-bourgeois, but also slum-proletarian and demoralised working class, financed and directed by finance-capital, by the big industrialists, landlords and financiers, to defeat the working-class revolution and smash the working-class organisations.

*The argument sometimes put forward that the elimination of Hugenberg from the Nazi-National Government represented a breach between the Nazis and Big Capital, and the defeat of the latter, is a childishly superficial attempt to substitute the fate of an individual for the really decisive social forces. Hugenberg was removed from the Nazi-National Government, not because he was a big capitalist, but because he was the leader of the National Party, and the completed Fascist system cannot tolerate the existence of two parties. Certainly, this reflects an undoubted and sharp division *within* the bourgeoisie, between the alternative methods of maintaining bourgeois rule, between the old traditional National Party mechanism and the new Nazi Party mechanism, to the necessity of which a great part of the bourgeoisie have only reconciled themselves with many misgivings and much anxiety for the future. But the Nazi method remains a method, although a hazardous one, of maintaining the rule of finance-capital. Finance-capital remains supreme, as was abundantly shown by the composition of the Provisional Supreme Economic Council appointed under the aegis of the Nazi Government. Its leading members included;

Herr Krupp von Bohlen, armaments king; private fortune, £6,000,000; capital represented, £15,000,000.
Herr Fritz Thyssen, steel king; private fortune £6,000,000; capital interests German Steel Trust, £540,000,000.
Herr F. C. Von Siemens, electrical king; private fortune, £6,500,000; capital represented, £12,500,000.
Prof. Karl Bosch, Dye Trust millionaire; private fortune, £2,000,000; capital represented, £55,000,000.
Dr. A. Vögler, German Steel Trust; private fortune, £6,000,000; capital represented, £40,000,000.
Herr A. Diehn, director Potash Syndicate; capital represented, £10,000,000.
Herr Bochringer, director Maximilian Steel Works; capital, £1,500,000.
Herr F. von Schroeder, banker.
Herr A. von Finck, banker.
Herr F. Reinhart, banker.

This glittering galaxy of the leaders of German finance-capital is sufficient proof of the relations of the Nazis and finance-capital. The subsequent further reorganisation of German industry, announced in March 1934, in twelve industrial groups, under the control of the principal large capitalists in each group, and under the general leadership, for heavy industry and also for industry as a whole, of Herr Krupp von Bohlen, has still more conspicuously illustrated this process of systematisation of Nazi rule as the most complete and even statutory domination of Monopoly Capital.

3. *The Middle Class and the Proletariat.*

This question of the role of the middle class or petit-bourgeoisie, in relation to the working class and to the big bourgeoisie, is so important for the whole dynamic of present capitalist society and the social revolution, that it deserves fuller clearing.

The controversy over the role of the middle class, or many and varied intermediate strata between the bourgeoisie and the proletariat (small business men, small and middle peasantry, handicraftsmen, independent workers, small rentiers, liberal professions, technical, managerial and commercial employees) is no new one. In the nineteenth century Marx had dealt very fully with the economic and political situation and tendencies of these elements. He had shown how these middle elements were increasingly ground between the advance of large capital and of the proletariat, with growing numbers from their ranks falling into proletarian or semi-proletarian conditions; he had shown their vacillating and unstable political role, now siding with the bourgeoisie and now with the proletariat, torn between their bourgeois prejudices, traditions and aspirations, and the actual process of ruination and proletarisation at work among them; and he had shown how the proletariat should win the alliance of the lower strata of the peasantry and urban petit-bourgeoisie under its leadership in order to conquer power.

In the beginning of the imperialist era the question of the middle class was anew raised sharply to the forefront by Bernstein and the Revisionists in the last years of the nineteenth century and the first years of the twentieth. The Revisionists challenged Marx's teaching of the increasing proletarisation of the middle strata and consequent increasing sharpness of the issue between capitalism and the proletariat. On the contrary, they argued that the middle class was growing, and pointed to the figures of income returns, property returns and shareholding, to prove the growth of the middle class. On this basis they denied Marx's revolutionary teaching, saw instead the increasing harmony of classes and democratisation of capital, and looked to the gradual peaceful advance towards socialism through capitalist reorganisation, social reform and State intervention.

What the Revisionists really represented, as is now abundantly clear, was the growth of the " new middle class " of

salaried employees of capitalism. In fact the process predicted by Marx was abundantly realised through the course of the nineteenth century. The concentration of capital went forward at an increasing pace. Large-scale capital pressed small-scale capital to the wall. The former small owners and independent workers became, as Marx said, "overseers and underlings." In this way a "new middle class" came more and more to the front, based on the increasing disappearance of the old independent small owners. This new middle class resembled the old in its two-faced position and outlook, between the bourgeoisie and the proletariat, and its dreams of occupying an "independent" position above the class struggle; but it was already dependent for its livelihood on employment under large capital, and no longer primarily on its own property. Thus the development of this new middle class was in fact a stage in the process of proletarisation, in the increasing divorce of the ever-widening mass of the population from an independent property basis; and its lower strata began to draw closer to the proletariat and to the proletarian movement (beginnings of "middle-class" trade unionism, recruiting to social democracy). The distinctive outlook of this new middle class was typically expressed in England by Fabianism and the leadership of the Independent Labour Party.

Against the Revisionists, the Marxists were easily able to show, not only that the development of this new middle class increasingly replacing the old was in reality a phase of the process of proletarisation, but that further economic development was in turn affecting the position of this new middle class, and creating a crisis in its ranks and a new stage of proletarisation. The overstocking of the professional market, the turning out from the universities and technical schools of increasing numbers beyond the possibilities of employment, and the cutting down of personnel through the further concentration of businesses, was already before the war creating a more and more sharp crisis of the new middle class.

This *crisis of the middle class* (both old and new) has been carried enormously forward in the post-war period. The operations of finance-capital—inflation, currency and exchange manipulations, share-juggling, monopoly prices and heavy taxation—have played havoc with small savings and investments, and with the old stability of middle-class incomes. At

the same time unemployment and redundancy in all the professions has reached desperate heights.

" Throughout the Continent," wrote Keynes in his *Treatise on Monetary Reform* (p. 16), " pre-war savings of the middle class, so far as they were invested in bonds, mortgages or bank deposits, have been largely or entirely wiped out." The German property valuation returns showed that the number of those owning from thirty to fifty thousand marks worth of property (£1,500 to £2,500) fell from over 500,000 in 1913 to 216,000 in 1925; owners of from fifty to a hundred thousand marks (£2,500 to £5,000) fell from nearly 400,000 in 1913 to 136,000 in 1925. Although, despite the disillusionment of the wiping out of their savings by inflation, the middle class began hopefully to save anew after stabilisation, the total of savings rapidly began to fall after the economic crisis, and is now threatened anew by the new wave of world inflation. In Britain, a marked decline in small savings is noticeable in the post-war period even before the world economic crisis. Thus while in 1909-13 the Post Office Savings Bank accounts registered a net increase of £12 million, in 1923-7 they registered a net decrease of £17 million, as well as a net decrease of government securities standing to their holders' credit by £18 million, or a total decline of £35 million; Trustee Savings' Banks showed a net decline of £12 million; after allowing, against this, the net increase in National Savings Certificates in the same period by £14 million, there is still left a total loss in these main forms of small savings between 1923-7 of £33 million (*Economist*, February 23, 1929).

If the impoverishment of the small middle class alongside the enrichment of monopoly capital is thus a characteristic feature of the post-war period, even more so is the increasingly desperate situation of overcrowding in the professions. The world economic crisis brought this situation to an extreme point.

In Germany, it was reported that of 8,000 graduates from the technical colleges and universities in 1931-2, only 1,000 found employment in their professions. According to a statement issued by the Prussian Minister of Education, of 22,000 teachers who completed their training in 1931-2, only 990 found posts. " Engineers have become mere wage-earners; while of the technical school engineering graduates only one in five found any job at all " (H. H. Tiltman, *Slump*, 1932, p. 75).

R. Schairer in *Die Akademische Berufsnot*, 1932, reported that 45,000 graduated students were unemployed, and that this figure, it was estimated, would, in the absence of remedial measures, reach 105,000 by 1935. Here we can see a large part of the social basis for the desperate armies of Fascism.

The impoverished and desperate middle class is driven from its former philistine slumbers into political activity. But this political activity takes on a new character. Whereas the Bernsteinian dreams had seen in the middle class a stabilising and harmonising factor in the social structure, wedded to liberalism and social reform, and smoothing over the antagonism of classes, the new dispossessed and ruined middle-class elements break out as an extremely unstable, violent force potentially revolutionary or, alternately, ultra-reactionary, without clear social basis or consciousness, but recklessly seeking any line of immediate action, which may offer a hope of immediate relief (relief from debts, State aid to small businesses, smashing the large stores, etc.) or the prospect of jobs (the new bureaucracy, mercenary fighting forces, displacement of Jews, war).

In what direction, however, can these middle-class elements turn their political activity? They can in practice only line up in the service of either finance-capital or of the proletariat. The myth of their " independent " role, of the " third party," is still endeavoured to be hung before them. The Liberal Yellow Book, characteristically enough, endeavoured to make much of " the third party in industry " as the force of the future. But these dreams are soon shattered by reality. For the ownership of the means of production is decisive, and to this the middle class can never aspire. Either finance-capital, owning the means of production, can seek to make the middle class its auxiliary, giving a measure of employment, if diminishingly in production, then at any rate increasingly in the tasks of violent coercion of the working class (fascist militia, police-officer class, fascist bureaucracy). Or the proletariat, socialising the means of production, can at last give full scope to all the useful trained and technical abilities within the middle class in the gigantic tasks of social reconstruction. These are the only two alternatives before the middle class. The first is the line of Fascism. The second is the line of Communism.

The true interests of the majority of the middle class, of all the

lower strata of the middle class, lie with the proletariat, with the line of Communism. Finance-capital is the enemy and exploiter of both sections. The line of Fascism of service with finance-capital against the working class, means in fact no solution for the economic crisis of the middle class; alongside privileges and rewards for a handful, it means intensified servitude, oppression and spoliation of the majority of the middle class at the hands of the great trusts and banks.

Where the working-class movement is strong, follows a revolutionary line, and is able to stand out as the political leader of the fight of all oppressed sections against large capital, there the mass of the petit-bourgeoisie is swept in the wake of the working class. This was the general situation in the post-war revolutionary wave of 1919-20. During this time Fascism could win no hold.

But where the working-class movement fails to realise its revolutionary role, follows the leadership of Reformism and thus surrenders to large capital, and even appears to enter into collaboration with it, there the discontented petit-bourgeois elements and declassed proletarian elements begin to look elsewhere for their leadership. On this basis Fascism is able to win its hold. In the name of demagogic slogans against large capital and exploiting their grievances, these elements are drawn in practice into the service of large capital.

4. *The Definition of Fascism.*

Fascism is often spoken of as a consequence of Communism. "Reaction of the 'Left,'" declared the Labour Manifesto on "Democracy and Dictatorship" in 1933, "is displaced by triumphant reaction of the 'Right.'" With strikingly similar identity of outlook to the Labour Party, the Conservative leader, Baldwin, also declared: "Fascism is begotten of Communism out of civil discord. Whenever you get Communism and civil discord, you get Fascism" (House of Commons, November 23, 1933).

The reality shows the exact contrary. The examples are now sufficient to make certain a generalisation beyond the possibility of dispute.

Where the majority of the working class has followed the line of Communism (the Soviet Union), Fascism has not been able to appear.

Where the majority of the working class has followed the line of Reformism (Germany, Italy, etc.), there at a certain stage Fascism invariably grows and conquers.

What is the character of that stage? That stage arises when the breakdown of the old capitalist institutions and the advance of working-class movement has reached a point at which the working class should advance to the seizure of power, but when the working class is held in by reformist leadership.

In that case, owing to the failure of decisive working-class leadership to rally all discontented strata, the discredited old regime is able to draw to its support under specious quasi-revolutionary slogans all the wavering elements, petit-bourgeoisie, backward workers, etc., and on the very basis of the crisis and discontent which should have given allies to the revolution, build up the forces of reaction in the form of Fascism. The continued hesitation and retreat of the reformist working-class leadership at each point (policy of the "lesser evil") encourages the growth of Fascism. On this basis Fascism is able finally to step in and seize the reins, not through its own strength, but through the failure of working-class leadership. The collapse of bourgeois democracy is succeeded, not by the advance to proletarian democracy, but by the regression to fascist dictatorship.*

We are now in a position to reach our general definition of the character of Fascism, the conditions of its development and its class-rule. This definition has received its most complete scientific expression in the Programme of the Communist International in 1928:

> Under certain special historical conditions the progress of the bourgeois, imperialist, reactionary offensive assumes the form of Fascism.
>
> These conditions are: instability of capitalist relationships; the existence of considerable declassed social elements, the pauperisation of broad strata of the urban petit-bourgeoisie and of the intelligentsia; discontent among the rural petit-bourgeoisie, and, finally, the constant menace of mass proletarian action. In order to stabilise

* Reference may be made to the present writer's suggested definition of the conditions of the advance to Fascism, written in 1925:

> "Fascism arises where a powerful working-class movement reaches a stage of growth which inevitably raises revolutionary issues, but is held in from decisive action by reformist leadership. . . . Fascism is the child of Reformism" (*Labour Monthly*, July 1925).

The subsequent events in Germany have abundantly illustrated the truth of this.

and perpetuate its rule the bourgeoisie is compelled to an increasing degree to abandon the parliamentary system in favour of the fascist system, which is independent of inter-party arrangements and combinations.

The Fascist system is a system of direct dictatorship, ideologically masked by the " national idea " and representation of the " professions " (in reality, representation of the various groups of the ruling class). It is a system that resorts to a peculiar form of social demagogy (anti-Semitism, occasional sorties against usurer's capital and gestures of impatience with the parliamentary " talking shop ") in order to utilise the discontent of the petit-bourgeois, the intellectual and other strata of society; and to corruption through the building up of a compact and well-paid hierarchy of Fascist units, a party apparatus and a bureaucracy. At the same time, Fascism strives to permeate the working class by recruiting the most backward strata of the workers to its ranks, by playing upon their discontent, by taking advantage of the inaction of Social Democracy, etc.

The principal aim of Fascism is to destroy the revolutionary labour vanguard, i.e., the Communist sections and leading units of the proletariat. The combination of social demagogy, corruption and active White terror, in conjunction with extreme imperialist aggression in the sphere of foreign politics, are the characteristic features of Fascism. In periods of acute crisis for the bourgeoisie, Fascism resorts to anti-capitalist phraseology, but, after it has established itself at the helm of State, it casts aside its anti-capitalist rattle, and discloses itself as a terrorist dictatorship of big capital.

Alongside of this may be placed the parallel analysis of Fascism in the Resolution on the International Situation of the same Sixth Congress of the Communist International in 1928:

The characteristic feature of Fascism is that, as a consequence of the shock suffered by the capitalist economic system and of special objective and subjective circumstances, the bourgeoisie—in order to hinder the development of the revolution—utilises the discontent of the petty and middle, urban and rural bourgeoisie and even of certain strata of the declassed proletariat, for the purpose of creating a reactionary mass movement.

Fascism resorts to methods of open violence in order to break the power of the labour organisations and those of the peasant poor, and to proceed to capture power.

After capturing power, Fascism strives to establish political and organisational unity among all the governing classes of capitalist society (the bankers, the big industrialists and the agrarians), and to establish their undivided, open and consistent dictatorship. It

places at the disposal of the governing classes armed forces specially trained for civil war, and establishes a new type of State, openly based on violence, coercion and corruption, not only of the petit-bourgeois strata, but even of certain elements of the working class (office employees, ex-reformist leaders who have become government officials, trade union officials and officials of the Fascist Party, and also poor peasants and declassed proletarians recruited into the Fascist militia).

The further characteristics of Fascism indicated in the above analysis, both in respect of its advance to power, and of its programme and practice after power, it will now be necessary to examine.

CHAPTER V

HOW FASCISM CAME IN ITALY

In the light of this general understanding of the character and role of Fascism, and of the conditions of its development, it is now possible to examine more closely the concrete historical manifestations of Fascism, and, in particular, its development in Italy and Germany.

For this purpose it is necessary first to review the conditions of the transition to Fascism in these countries. It is then necessary to examine more closely the programme and practice of Fascism, especially as demonstrated in these two leading countries.

1. *The Priority of Italian Fascism.*

Why did Fascism, the outstanding development of modern capitalist policy, develop its first distinctive and complete form in Italy, a secondary capitalist country?

The question bears a certain analogy to the question often asked why the world proletarian revolution should have conquered first, not in the most advanced capitalist country, but in the relatively less-developed Russia.

In both cases a general world development of the imperialist epoch first reached its specific form, not at the main centres of world imperialism, but at that point where the complex of conditions, of extreme contradictions, made its appearance first possible, and only more slowly spread beyond the original country.

The reasons for the opening of the world socialist revolution in Russia have long been cleared. Russia was the weakest link of world imperialism: it represented the combination, on the one side, of the weakest bourgeoisie and of the greatest corruption and collapse of the old regime; and on the other side, of the most politically developed proletariat, of the highest proportion of the proletariat in large-scale industry, and of the most conscious and highly trained revolutionary party of the proletariat in established leadership of the majority of the workers.

The case of Italy and Fascism is more complex. In fact, embryonic forms of Fascism already developed in other countries before Italy, notably in Finland, Hungary, Poland and Germany. But it was in Italy that Fascism was first elaborated into a complete system and became during the succeeding decade the recognised principal model. Why was this? We have seen that Fascism develops where the proletarian revolution draws visibly close, but is held in by reformist leadership. This was certainly the case in Italy after the war. But in the immediate post-war period did not the proletarian revolution far more closely threaten in Germany than in Italy? Why then the difference, and the very much later development of Fascism in Germany?

The answer lies, not only in the very much greater strength and long-drawn resistance of the German proletariat, but in the basic difference of conditions of the two revolutions. In Germany a mass-revolution took place, although it was robbed of its fruits; in Italy there was only the menace of a revolution. In consequence, the methods of the bourgeoisie in the two countries necessarily differed.

In Germany the proletarian revolution actually overthrew the old regime in 1918; but the workers were robbed of the fruits of their victory by the Social Democratic leadership. The revolution, although carried out by the workers against the combined bourgeoisie and old feudal-militarist regime, was restricted in its outcome by the leadership to the tasks of the bourgeois democratic revolution, which had never been completed in Germany. The task of the bourgeoisie in the first stage became to *limit* the successful revolution, whose victory could not for the moment be questioned. For this purpose the direct governmental leadership of Social Democracy was essential to the bourgeoisie as the sole salvation. Only later, as the influence of Social Democracy weakened, and the menace of the proletarian revolution grew, in spite of and against Social Democracy, did the German bourgeoisie require to bring into play the additional weapon of Fascism against the working class.

In Italy, on the other hand, no revolution took place after the war, but only a mass revolutionary wave of great power—the highest mass revolutionary wave of those countries (the victor countries) where the war was not followed by revolution. The bourgeois democratic revolution had in essence been com-

pleted in Italy in the preceding period. The sole issue was the issue of the proletarian revolution. There was no question of strangling an already victorious mass revolution by setting Social Democracy in power as the supposed leadership and voice of the triumphant revolution. The government remained throughout directly in the hands of the bourgeoisie. The task was to *prevent* the menacing proletarian revolution. For this purpose Social Democracy could serve as the brake to disorganise the workers' forces. But to *smash* the workers' forces Fascism was necessary. In contrast to Britain and France, the mass revolutionary wave after the war in Italy was so high as to make the bourgeois democratic forms inadequate; extraordinary forms had to be brought into play. But it was not so high as to reach to open insurrection and overthrow of the government, and to the necessity of the bourgeoisie making a show of surrendering power. The bourgeoisie only required to change the forms and methods of its power. For this reason Italy, despite the lower level of revolutionary development than Germany, gave the first example of the new Fascist dictatorship, to which Germany only reached later. Italian Fascism revealed Fascism as a species of *preventive counter-revolution.*

2. *Socialism in Italy.*

The relatively backward economic development of Italy meant that the industrial proletariat, especially in large industry, was proportionately much weaker than in the leading industrial countries, such as Germany, Britain and the United States. Of the 16.8 million occupied persons recorded in the 1911 census, 9 millions, or 54 per cent., were recorded as engaged in agriculture and fisheries; 243,000 industrial establishments were recorded as employing 2.3 million workers. The 1927 Census of Industries reported 2.9 million industrial workers in manufacturing production; but 1.5 millions of these were employed in establishments of less than 10 workers; only 695 factories had over 500 workers, with a total of 692,000 workers.

Nevertheless, the dominant numerical strength of the industrial and agricultural proletariat combined, especially together with the poor peasantry, should not be under-estimated. On the basis of the 1911 census statistics it was calculated that of

the 16.8 million occupied persons the agricultural proletariat numbered 6.2 millions, and the proletariat in industry and transport 4 millions, or a total of over 10 millions or over 60 per cent.

Further, Socialism, on the basis of a revolutionary programme, reached an overwhelming mass support after the war. The Italian Socialist Party, previously weak and dominated by reformism and collaborationist policies until 1910, began to move to the left in the fight against the Tripoli war in 1911; in 1912 it strengthened itself by expelling the chauvinist reformists, under Bonomi and Bissolati, at the Reggio Emilia Congress; thereafter the membership, previously dwindling from 36,000 in 1906 to 24,000 in 1910, shot up from 27,000 in 1912 to 48,000 in 1914. Thus strengthened, and with the added advantage of a delayed entry of Italy into the war only after a protracted dispute which divided also the bourgeoisie, the Italian Socialist Party was not swept in the wake of the war, but took the Zimmerwald line; it emerged from the war with an increased membership of 70,000 and high popularity and prestige.

The revolutionary wave after the war reached very great heights in Italy, affecting all strata, the industrial workers, the demobilised soldiers, the agricultural proletariat and the poor peasantry. A widespread strike movement developed, both economic and political, land seizures by the peasantry, etc. The Socialist Party affiliated to the Communist International in March 1919, by executive decision, which was confirmed by an overwhelming majority at the Bologna Congress in October. On this basis the Party went to the elections in November 1919, on a Communist programme of dictatorship of the proletariat and soviets, and for this programme won over one-third of the total votes of the whole population, emerging as the strongest party with 156 seats out of 508—at the same time as Mussolini and his Fascists were unable to win a single seat. The membership of the Party rose to 200,000, and of the Confederation of Labour, which was allied to the Party, to two millions. At the municipal elections in 1920 the Party won control of over 2,000 Communes, or one-third of the total. At the height of the revolutionary wave the Government was powerless to act, as shown in its passivity during the occupation of the factories in 1920, since it could not count on the support of the military forces. The expectation of the social revolution was general.

Nevertheless, no revolution took place, because there was no decisive revolutionary leadership. As the Executive Committee of the Communist International wrote in October 1920:

> The P.S.I. (Italian Socialist Party) acts with too much hesitation. It is not the Party which leads the masses, but the masses which push the Party. . . . In Italy there exist all the necessary conditions for a victorious revolution except one—a good working-class organisation.

The truth of this was abundantly shown in 1919-20. No Communist Party existed until 1921, when the main revolutionary wave had passed. Anarchist and syndicalist tendencies and confusions on the one side, reformism in control of the principal mass organisations on the other, and a passive, hesitating centrist leadership between—this constituted the main picture of the leadership of the Italian working class during the revolutionary wave. Although the Italian Socialist Party had affiliated to the Communist International in 1919, it retained at the very heart of the leadership, in control of the most strategic points, convinced enemies of Communism, the old reformist leadership under Turati and D'Aragona, who had dominated the party until 1910. These had no longer more than a small following among the workers, as Congress votes showed; but they were strong at the centre, dominating the parliamentary group and controlling the official machinery of the Confederation of Labour. They remained in the party, despite the adoption of the Communist programme, openly in order to defeat the revolutionary line. As one of their leaders, Prampolini, explained at the Conference of the reformist wing in September 1922:

> By remaining in the Party we were able to fulfil our duty as Socialists. It would have been quite impossible for us to have accomplished outside the Party the task we accomplished inside.

It was manifest that if the party were to achieve its task of revolutionary leadership, the first necessity was to remove the enemies of the revolution from the strategic leading positions and replace them by revolutionaries. On this demand the Executive Committee of the Communist International, under the leadership of Lenin, conscious of the impending danger in Italy if this were not carried out, exerted the whole of its pressure and

authority. The Executive long urged, and finally by the summer of 1920, when the matter was too serious for further parleying, demanded in the name of the whole international movement, the expulsion of Turati and the reformist leadership. But the centrist leadership under Serrati refused, and the fate of the Italian revolution was sealed for many years to come. The issue came to a head at the Second Congress of the Communist International in August 1920; Serrati set himself in opposition to Lenin and to the whole international leadership, preferring unity with Turati and the reformists to unity with International Communism; and the bulk of the party under his leadership passed out of the International. The break followed at the Livorno Congress in January 1921; Serrati and the centrists had a following of 98,000, Turati and the reformists 14,000, and the Communists 58,000, who thereon formed the Italian Communist Party. Serrati and his wing, who styled themselves " Unity Communists," were appealed to by the Communists to unite with them in a single Communist Party, which would have thus constituted 90 per cent. of the old party, freed from reformism; but they preferred unity with the 14,000 reformists to unity with 58,000 Communists. Thus the workers' ranks were broken,

Two years later, on the very eve of Mussolini's coming to power, Serrati was compelled to recognise his fatal error; at the Rome Congress of the now weakened and dwindled Socialist Party in the beginning of October 1922, the Serrati leadership finally carried through the expulsion of Turati and the reformists, now grown to nearly half the membership, and applied for re-admission to the Communist International. " Our fault," declared Serrati at this Congress, " is that we never sufficiently prepared ourselves for the events that have overtaken us. . . . To-day we believe it essential to abandon the democratic illusion, and to create a combative, active and audacious Party." But it was then too late; the irreparable harm had been done; within four weeks Mussolini was in power. As the message of the Communist International to the Rome Congress declared:

> He cannot be called a leader of the proletarian masses who with great effort and after the lapse of several years comes to a correct conclusion, but rather he who can detect a tendency at its birth and can warn the workers in time of the peril that menaces them.

3. *Was Revolution Possible in Italy?*

This understanding of the inner situation of Italian Socialism during the critical years 1919-1922 is essential for the understanding of the failure of the Italian revolution during those years, despite the favourable conditions and the readiness and self-sacrifice of the masses, and the resulting advance and victory of Fascism.

The revolutionary wave of 1919-20 spent itself in a confusion of unorganised partial struggles and demonstrations without decisive leadership or concentrated aim. The Socialist Party leadership gave out the watchword: "The Revolution is not made. The Revolution comes." Under cover of this fatal non-Marxist conception the responsibility of leadership was in fact abandoned. The energy and self-sacrifice of the masses went to waste in fruitless unco-ordinated actions.

The final climax of the revolutionary wave was reached with the occupation of the factories in Northern Italy in September 1920. This action of the workers was undertaken in response to a lock-out begun by the employers and threatening to be made general. Beginning from the metallurgical industry in Milan at the end of August, it spread to all industries until by September 3 half a million workers were in unchallenged occupation of the factories, establishing their own workers' committees and armed guards. The government and employers were powerless. The troops could not be counted on to act against the workers. The classic conditions of revolution were present. The Prime Minister, Giolitti, temporised. The extra-legal Fascist formations were then only an impotent handful, and found it more prudent to applaud the workers' movement from a distance, proclaiming noisily their "sympathy" for the occupation in which they had no part, and which Mussolini declared in his journal to be "a great revolution (*Popolo d'Italia*, September 28, 1920).

The bourgeoisie in this situation could only count on the reformist leadership to save them. But the reformist leadership did not fail them. It was obvious that the occupation of the factories, if it remained a passive economic movement, with political power remaining in the hands of the bourgeoisie, could only end in stultification and failure. The condition of victory was that the movement begun by the occupation of the factories should be extended to the conquest of political power by the

workers, which the bourgeoisie was then powerless to resist. Just this the reformists resisted, insisting on confining the movement as " purely an economic movement " (the same tactics as in the British General Strike in 1926), and negotiating with the Government for a settlement. The critical decision was taken on September 11 at a combined conference of the Socialist Party and the Confederation of Labour; by a vote of 591,245 to 409,569 control was placed in the hands of the Confederation of Labour, that is, of the reformist leadership. The reformist leadership entered into immediate negotiations with Giolitti; and on September 19 a settlement was reached, by which evacuation of the factories was conceded in return for a 20 per cent. wage increase and a promise of a share of " workers' control " in industry (the promise went the way of all such promises; the subsequent joint commission established to work out the details of the scheme broke down; finally, the Government in 1921 introduced an emasculated Bill of Labour Control, similar to the German Works Councils Act). The essence of the settlement was the evacuation of the factories. The reformist leaders ordered the workers to leave the factories. What neither the employers, nor the Government, nor the police, nor the armed forces could effect, this was effected by the reformist leadership—to get the workers out of the factories and hand them back to capitalism.

Was the victory of the working-class revolution in Italy possible in the situation of September 1920? Of this there can be no doubt in the united evidence of all parties. The liberal anti-fascist historian, Salvemini, who is mainly concerned for the purposes of his argument to minimise the revolutionary issues of the situation in Italy before Fascism in order to deny this bourgeois " justification " of Fascism, nevertheless writes of this period:

> Had the leaders of the General Confederation of Labour and of the Socialist Party wished to strike a decisive blow, here was the opportunity. . . . The bankers, the big industrialists and big landlords waited for the social revolution as sheep wait to be led to the slaughter. If a Communist revolution could be brought about by bewilderment and cowardice on the part of the ruling classes, the Italian people in September, 1920, could have made as many Communist revolutions as they wished.
>
> (G. Salvemini, *The Fascist Dictatorship*, 1928, Vol. I, p. 4·1)

The leading Italian journal, the *Corriere della Sera*, wrote at the time in its issue of September 29, 1920:

> Italy has been in peril of collapse. There has been no revolution, not because there was anyone to bar its way, but because the General Confederation of Labour has not wished it.

The reformist leadership themselves boasted of having averted revolution by their action, and thereafter, in exactly the same way as the German reformists later, complained bitterly of the ingratitude of the bourgeoisie in repaying their services by the blows of Fascism:

> "But after we had the honour," stated the Secretary of the General Confederation of Labour in a speech delivered two years after the occupation of the factories, "of preventing a revolutionary catastrophe—Fascism arrived." (*Daily Herald*, April 12, 1928.)

Thus in the agreed testimony of the bourgeoisie and of the reformists alike, the Communist revolution was fully possible in Italy in September 1920, and was only prevented by the reformist leadership. Fascism played no part in this.

It was only after the revolution was already defeated, after the working-class ranks were disorganised and disillusioned by the reformist betrayal, after this had begun to show itself in a rapid collapse of membership and organisation, that then Fascism stepped forward to show its prowess in beating the already defeated workers.

The surrender of the factories took place in *September* 1920. From that point the Italian working-class movement went downwards. "After the occupation of the factories in September 1920, the idea spread among the people that the revolution had failed, and they grew discouraged" (Salvemini, *op. cit.*, p. 43). The membership of the party and of the trade unions began rapidly to fall (the party membership fell from 216,000 in 1920 to 170,000 in January 1921).

In *November* 1920, the first Fascist terrorist action of blood and fire against the workers was launched at Bologna.

The sequence of dates is obvious. The Fascist jackal strikes only the already wounded proletarian lion. Fascism was not the weapon of defence of the bourgeoisie against the advancing proletarian offensive, but the vengeance of the bourgeoisie against the retreating proletariat, after reformism had broken the workers' ranks, to follow up the victory by smashing the working-class organisations.

4. *The Growth and Victory of Fascism.*

Fascism had existed in germ in Italy since the beginning of 1919—in fact since the hired interventionist campaign of 1915. The former Socialist Party agitator, Mussolini, who had throughout his career performed a doubtful role of advocacy of bomb attentats, Hervéist extravagance, etc., changed his coat with the usual celerity of social chauvinists, and passed within a few weeks from editing the Socialist anti-war *Avanti*, wherein he had denounced the "bourgeois war" during August and September, to founding, with French Government funds, the interventionist *Popolo d'Italia* in November. The *Fasci di Azione Interventista*, which he founded at Milan in 1915, were the nucleus of future Fascism. After the war Mussolini and his followers, their previous campaigning basis gone with the end of the war, sought for a new one, and founded the first *Fascio di Combattimento* at Milan in March 1919, on a confused chauvinist, republican and revolutionary-sounding programme. This was the official starting-point of Fascism. The Fasci were constituted a political party in December 1920.

During 1919 and up to the autumn of 1920, that is, during the revolutionary wave, Fascism had no strength or popular support. The official authorities encouraged it; the *Popolo d'Italia* was distributed by the Army authorities free among the troops in 1919 and 1920. But Fascism could win no support. At the elections in November 1919, Fascism could not win a seat; Mussolini received 4,795 votes in Milan against the Socialist 180,000. The total membership throughout the country was small. Fascism had to swim with the revolutionary stream. Its programme called for the abolition of the monarchy and nobility, confiscation of war profits, international disarmament, abolition of the stock exchanges, the land for the peasants, workers' control of industry, etc. Its propaganda glorified strikes, food riots, calling for the hanging of speculators, the seizure of land by the peasantry, occupations of factories by the workers (Dalmine), and denounced the State as the enemy—"Down with the State in all its forms!" (*Popolo d'Italia*, April 6, 1920).

During this period Fascism was still in preparation and had no important place among the weapons of the bourgeoisie to meet the proletarian offensive. In the face of the strength of the revolutionary wave the bourgeoisie had to use other

methods. So far as an attempt was made to build up an alternative new party to counter and outbid the Socialist Party, this attempt was concentrated on the Catholic "Popular Party," which was constituted in 1919 with a demagogic programme, and was utilised to split the rural proletariat and peasantry, winning 100 seats in 1919 against the Socialist 156. But the main method of the bourgeoisie was the method of liberalism and concessions, so long as their forces were unprepared, the granting of shorter hours, wage increases, the Labour Control Bill and similar legislation. This was the line of the successive governments of Nitti, Giolitti, Bonomi and Facta. They calculated on the reformist socialist leadership to break the revolutionary offensive. Meanwhile, under cover of this policy of seeming "weakness" and retreat, they were preparing the armed counter-revolution. The gendarmerie, or Carabinieri, were increased from 28,000 at the end of the war to 60,000 by the summer of 1920. A new special force, the Royal Guard, was created, 25,000 strong. At the same time the Fascist hooligan bands were being equipped and armed by the authorities.

Thus the transfer from the policy of a Giolitti to the policy of a Mussolini was no sudden volte-face of the Italian bourgeoisie. They were the two halves of a single policy; Mussolini was the foster-child and creation of Giolitti, just as Hitler was the foster-child of Brüning. The task of Giolitti and the "liberal" "democratic" governments was to fool the proletariat with sham concessions, so long as the proletarian forces were too strong to be defeated, and assist the reformist leadership to break them up from within. Meanwhile these "liberal" "democratic" governments were secretly equipping and arming Fascism. When this first stage was completed, and the proletarian forces had been disorganised by reformism, the violent counter-revolution was let loose. The violent offensive of Fascism was carried forward under the benevolent protection of Giolitti and his successors. This second stage continued from the autumn of 1920 to the autumn of 1922. Reformism continued to retreat and trust in parliamentarism for defence. When the second stage had done its work, and the proletarian forces had been smashed and beaten up, the final transference to open Fascism was accomplished. Giolitti and his successors peacably made way for Mussolini. The cycle was complete. The continuity of policy runs in practice right through.

This mechanism of the transition to Fascism, exactly repeated in Germany, is the essential key to the correct understanding of the real relationship of bourgeois democracy and Fascism.

Fascism grew up and grew strong after the autumn of 1920, and was able to exercise its wholesale violence, only under the direct protection and assistance of the bourgeois democratic governments, of the military authorities, of the police, of the magistracy and of the big bourgeoisie. From the autumn of 1920 the big landlords and the big industrialists poured support to the Fascist bands to exercise terrorism against the peasantry and the proletariat. The membership shot up, according to Mussolini, from 20,000 in 1920 to 248,000 in 1921. The army authorities supplied arms. Professional officers trained the bands and directed operations. The General Staff issued a circular (October 20, 1920) instructing Divisional Commanders to support the Fascist organisations. The workers and peasants were rigorously disarmed; the Fascists carried arms with impunity. The police and gendarmerie either directly assisted the Fascists or remained passive. The magistracy habitually subjected to savage sentences workers who attempted to defend themselves, while releasing Fascists.

The conscious policy of Giolitti and Bonomi in permitting and supporting Fascist violence has been already noted (p. 81). The semi-official spokesman of Fascism, Luigi Villari, in his *Awakening of Italy* (p. 123) notes that Giolitti " refused to interfere with the repressive actions of the Fascists, illegal though they were." The pro-Fascist A. Zerboglio, in his standard *Il Fascismo*, 1922, wrote:

> The Government more or less openly made use of Fascism.
>
> The Socialist Press are piling up proofs of Government tolerance towards the Fascists, and it cannot honestly be disputed that some of this evidence appears convincing.

The leading American journalist, Mowrer, recorded:

> In the presence of murder, violence and arson, the police remained " neutral." . . . When armed bands compelled the Socialists to resign from office under pain of death, or regularly tried, and condemned their enemies to blows, banishment or execution, the functionaries merely shrugged their shoulders. . . . Sometimes Carabineers and Royal Guards openly made common cause with the Fascists, and paralysed the resistance of the peasants. Against the Fascists alone the latter might have held their own. Against

the Fascists and the police together they were helpless, and their complaints merely caused the authorities to arrest them as guilty of attempting to defend themselves. Socialists were condemned for alleged crimes committed months, years before. Fascists taken red-handed were released for want of evidence."

(E. A. Mowrer, *Immortal Italy*, p. 361.)

And again:

From the army the Fascists received sympathy, assistance and war material. Officers in uniform took part in the punitive expeditions. The Fascists were allowed to turn national barracks into their private arsenals.—(*Ibid.*, p. 144.)

Similarly the notorious advocate of Fascism, Odon Por, notes in his *Fascism* (p. 111) that "the Fascists had been equipped largely on the quiet, from the regular army." Another American journalist who was in Italy in 1921, J. Carter, reports:

The Fascisti had carte blanche to beat up their opponents throughout Italy, while the Government pretended to be neutral.

(J. Carter, New York *Times Book Review*, June 12, 1927.)

One of the standard writers on Fascism, generally sympathetic, G. Prezzolini, in his *Le Fascisme*, 1925, writes (p. 97):

They could organise themselves in armed corps and kill right and left, with the certainty of impunity and with the complicity of the police. It is thus no overstatement to recognise that the Fascists fought with 99 chances out of 100 of gaining the victory.

The Fascist offensive of terrorism, destruction and murder, which was launched at Bologna in November 1920, with the overthrow of the newly elected Socialist Town Council and sacking of the Chamber of Labour, was thereafter systematically developed and extended, with the manifest planning of a military campaign, through the industrial region, and with wholesale sporadic violence in the agricultural areas. Socialist, trade union and co-operative buildings, painfully erected by millions of sacrifices of a generation of workers, were burned and sacked; workers' newspapers and printing presses were destroyed; socialist municipal councils were expelled from office; militant workers and peasants were beaten up or murdered. All this went forward with the connivance of the civil authorities, who normally followed up each Fascist coup expelling a duly elected socialist municipal council by appointing a Special Commissioner in its place. The normal procedure when a

workers' building was threatened by the Fascists would be for a special force of armed police or Royal Guards to appear first to " protect " it; these would search for and remove any arms, disarm the workers in it, and prevent any workers' demonstration approaching it; the Fascists would then arrive with full arms, and machine-guns; the police forces would then declare resistance impossible and retire; and the Fascists would be left free to work their will on the defenceless building and disarmed workers.

Between January and May 1921, according to figures published by the Italian Socialist Party at the time, the Fascists destroyed 120 labour headquarters, attacked 243 socialist centres and other buildings, killed 202 workers (in addition to 44 killed by the police and gendarmerie), and wounded 1,144. During this period 2,240 workers were arrested by the police; 162 Fascists were arrested. During 1921-2, up to the Fascist dictatorship, 500 labour halls and co-operative stores were burned, and 900 socialist municipalities were dissolved.

How did Reformism and Centrism, in control of the majority of the working class, meet this offensive of the bourgeoisie? They preached to the workers to put their trust in legal and pacific methods and the use of the ballot. In May 1921, Giolitti held a general election, hoping that the reign of violence would have already broken the workers' forces. The total Socialist and Communist vote, nevertheless, actually exceeded the 1919 total, reaching 1,861,000, against 1,840,000 in 1919; 122 Socialists and 16 Communists were returned, totalling 138, as against only 35 Fascists. The workers were endeavouring to use the ballot in their defence. The Socialist organ, *Avanti*, in illusory triumph, proclaimed: " The Italian proletariat has submerged the Fascist reaction under an avalanche of red votes." The reality was otherwise. The " avalanche of red votes " made no difference to a situation of civil war. The violence, in place of being diminished, was increased.

The next step of the reformist leadership was to spread even more disastrous illusions as to the real character of the struggle. They endeavoured to enter into a formal treaty of peace with Fascism. On August 3, 1921, the Fascist-Socialist Treaty was signed, proclaiming an end to all acts of violence. This was signed by Mussolini and his colleagues on the one side; on the

other by the Executive of the Socialist Party, of the Socialist Parliamentary Group and of the General Confederation of Labour. The Communist Party refused to take part in this criminal comedy. The agreement was not worth the paper it was written on. The Fascist violence went forward; and Mussolini explained the violation of his pledge by declaring that he had been " overridden " by his supporters.

The final step of the reformist leadership was to endeavour to enter into a parliamentary ministerial combination. After the resignation of Facta in July 1922, Turati as the Socialist parliamentary leader saw the King. When the attempt to secure agreed terms for a ministerial coalition were unsuccessful, the Reformist leadership conceived the idea of calling a general strike at this late stage as a weapon of extra-parliamentary pressure to bring about the formation of a coalition government. The general strike was called on August 1, wholly without preparation, and was explained by Turati to be a strike " in defence of the State." Under these conditions the general strike was inevitably a failure, reaching only a section of the membership of the Confederation of Labour, and winning no general response, because of the utter lack of serious preparation or fighting lead. The effect was only to play into the hands of the Fascists, who intensified their attack.

The conditions were now complete for the final step of the open transmission of power by the bourgeoisie into the hands of the Fascists. This took place in October. The transmission was carried through by the combined action of the King, the army chiefs and the Facta Cabinet. A theatrical " March on Rome " of Fascists was organised for October 28. This march was in fact organised under six army generals; and the Commander-in-Chief of the Army addressed an enthusiastic Fascist gathering on the evening of October 27. The Facta Cabinet went through the form of proclaiming martial law; this only had the effect that the civil authorities handed over their powers to the military throughout the country, who promptly allowed the Fascists to occupy the public offices, railways, postal and telegraphic offices, etc. After this had been successfully achieved, the King announced on the morning of October 28 that he refused to sign the decree of martial law; martial law was accordingly withdrawn; it was in consequence declared impossible to " defend " Rome against the Fascists. The Facta

Cabinet, which had already been in negotiation with the Fascists, resigned. Mussolini was invited to form a Ministry, and arrived at Rome on October 30 in a sleeping-car. Such was the so-called Fascist "revolution," which was in fact carried through from start to finish by the bourgeois dictatorship from above.

The full forms of the Fascist dictatorship were not immediately decided and carried through, as in Germany eleven years later, because the methods were still being experimentally discovered. At first, a show of parliamentary forms and permission of opposition parties and Press was maintained, alongside wholesale governmentally maintained violence and terrorism in practice. It was not until 1926 that the completed Fascist dictatorship was finally established, with complete suppression of all other parties, organisations and Press, the workers' trade unions being officially incorporated in the Fascist syndicates, and the principal Reformist trade union leaders, including D'Aragona, passing over to Fascism.

The Italian example provides the classic demonstration of the transition to Fascism. The lines of development, the rôles of the different elements, the successive stages of this tragedy of the working class stand out clear and sharp for all to learn. What are the principal conclusions that stand out?

First, the revolutionary wave in Italy was broken, not by the bourgeoisie, not by Fascism, but by its own inner weakness and lack of revolutionary leadership, by Reformism.

Second, Fascism only came to the front after the proletarian advance was already broken from within and disillusionment had been spread. Fascism appeared on the scene after the battle in order to play the hero (under police and military protection) in harassing and slaughtering an army already in retreat.

Third, the transition to open Fascist dictatorship was no sudden abrupt break and reversal of bourgeois policy, but a continuation of bourgeois policy into new forms. Fascism was prepared and fostered within the conditions of bourgeois democracy (alongside a show of "liberalism" and concessions, so long as the bourgeois forces were unprepared), to be placed in power when the conditions were ripe.

All these lessons were demonstrated in the classic example of Italian Fascism. Nevertheless, they were not yet learnt by the international working class. They were to be demonstrated anew on a yet wider scale in the next decade in Germany.

CHAPTER VI

HOW FASCISM CAME IN GERMANY

THE victory of Fascism in Germany opened a new page in the whole development of Fascism.

Up to that time the view had still been generally expressed, in liberal democratic and social democratic circles, that Fascism and "dictatorship" in general was a phenomenon of backward countries, of industrially less developed countries without a strong industrial proletariat, of Southern and Eastern Europe.

But Germany was the country with the most highly-advanced and concentrated industrial development in Europe, and with the most highly-organised and politically conscious industrial proletariat in the whole capitalist world. Yet the most brutal and barbarous Fascist dictatorship yet known, leaving the Italian in the shade, triumphed in Germany in 1933.

How was this possible? How did it arise? This question is of vital concern to the countries of Western Europe and America, with their closely parallel conditions.

The answer is to be found, not simply in the events of 1933, but in the whole fifteen years' development of the German Revolution. The establishment of the Fascist dictatorship was only the culminating step of a long process, which began already in 1918 when Ebert and Hindenburg drew up the terms of their treaty of alliance against the proletarian revolution.

Superficial critics, with their eyes only on the events of 1933, speak often of the "sudden collapse," of the inglorious "defeat without a battle" of the powerful and highly-organised German working class. They speak of the "ease" with which Fascism won its victory, and of the "incapacity" of the German working class to fight.

This picture is a false one, as the whole past history of the German Revolution has already proved, and as its future will still more abundantly prove. The battle of the German working class against the advancing counter-revolution lasted for fifteen

years before the Fascist dictatorship could be established; in that battle tens of thousands of German workers gave their lives under the bullets of the enemy; and if in the end the working-class forces had to retreat and could not prevent the establishment of the Fascist dictatorship, this was not due to any superior fighting strength of Fascism, but was solely because the action of the workers was paralysed and prevented by their own majority leadership, and by their own mistaken discipline and loyalty under that leadership. But the speed with which the vanguard of the working class has adapted itself to the new conditions, and taken up the struggle with renewed force under the leadership of the Communist Party in the face of all the terrorism and suppression, is the surest guarantee that the Hitler dictatorship will be only an episode in the long-drawn battle of the German working class and in its advance to the final victory of the proletarian revolution.

1. *The Strangling of the* 1918 *Revolution.*

The seeds of Hitler's victory were sown in 1918. The German workers and soldiers had overthrown the old State and won complete power. The Workers' and Soldiers' Councils were supreme throughout the country. The bourgeoisie and old militarist class were unable to offer any resistance. All the conditions were present for building an impregnable Soviet Republic—save that no revolutionary party existed to lead the workers (the Communist Party of Germany was only formed in December 1918). The completeness of the proletarian power at the beginning of the revolution, before Social Democracy had squandered and destroyed it, is attested by the principal social democratic witnesses themselves:

> The military collapse brought the whole power of the State into the hands of the proletariat at one stroke.
>
> (H. Ströbel, *The German Revolution*, p. 1.)

> In November, 1918, the Revolution was the work of the proletariat alone. The proletariat won so all-powerful a position that the bourgeois elements at first did not dare to attempt any resistance.
>
> (Kautsky, Introduction to the Third Edition of *The Proletarian Revolution*, 1931.)

How was this absolute power of the proletariat turned in fifteen years into its exact opposite—into the absolute power of the bourgeoisie and militarist class, and the absolute subjection

of the working class? The answer to this question, in which is contained the tragedy of the German Revolution of 1918, is comprised in two words—Social Democracy.

The German Social Democratic Party was built upon a long and glorious revolutionary past. Its early years had been watched over by Marx and Engels, and led by Bebel and the elder Liebknecht. It had refused to vote the war credits in the war of 1870, and had fought and defeated during the 'eighties Bismarck's twelve-year attempt at its suppression. It had stood for the programme of revolutionary Marxism, and on this programme had built up the mass organisations of the working class. But in the imperialist era, opportunism and corruption had made increasing inroads in the leadership especially in the reformist trade-union leadership. In their closing years Marx and Engels had already given warning of the danger and called for a split. Their warnings were ignored; and their messages and programme-criticisms were held back from the membership. The party and trade union apparatus grew in practice more and more closely bound up with the capitalist State. 1914 completed the process; the Social Democratic Party leadership openly united with the Kaiser, the militarists and the bourgeoisie in support of the imperialist war, against the working class. The scattered opposition elements, under heavily difficult conditions of combined war-censorship and party-censorship, gathered their ranks for the fight, in the revolutionary illegal Spartacus League, founded in 1916, and in the Independent Socialist Party, founded in 1917. Through these forces the 1918 revolution was organised.

The Social Democratic Party had no part in the victory of the 1918 revolution, but was on the contrary opposed to it from the first. As Scheidemann declared in his libel lawsuit in Berlin in 1922: "The imputation that Social Democracy wanted or prepared the November revolution is a ridiculous, stupid lie of our opponents." When the revolution broke out, the Social Democratic leaders were Ministers in the Coalition Governmentof Prince Max; in the critical days their Executive issued call after call to the population against revolution; when they found themselves compelled to press for the abdication of the Kaiser, they did so, according to Scheidemann (*Vorwärts*, December 6, 1922), in the hope to save the monarchy; the trade union leaders were negotiating a Treaty of Alliance with

the employers, which was actually signed on November 15, 1918.

Nevertheless, the main body of the workers, soldiers and sailors, who were in fact carrying through the revolution against the Social Democratic leadership, were at the same time organised in the Social Democratic Party and under its leadership. This was the fatal contradiction of the November revolution, which led to its downfall.

As soon as the revolution had triumphed on November 9, the Social Democratic leaders hastened to the revolutionary leaders, to Liebknecht and the Independents, to beg to take part in the leadership of the victorious revolution and form a joint government. It was at this point, already on the morning of November 9, that Centrism, in the shape of the Independent or Left Social Democratic leaders, took the disastrous step which sealed the fate of the revolution. Liebknecht correctly rejected such a coalition with the open agents of the bourgeoisie, which could only serve to restore their prestige and enable them to strangle the revolution. Had the Independents followed the lead of Liebknecht, and stood firm in a revolutionary bloc, excluding the social imperialists, at the head of the triumphant revolution (the Spartacists and Independents controlled the majority of the Berlin Workers' and Soldiers' Council), it is doubtful whether the discredited Social Democratic leadership, hopelessly identified with the overthrown old regime, could have prevented the victory of the revolution.

But the Independents in the name of "unity" chose the alternative course. They allied themselves with the Social Democratic enemies of the revolution in an equal coalition government. In this way, where all other channels had failed, bourgeois influence was re-established at the heart of the new order. (Within less than two months the Independents found themselves compelled to withdraw from the coalition government; but the work had been done; the bourgeois-militarist regime had been re-established under the protecting shell of Social Democracy.)

A Council of People's Commissars, responsible to the Workers' and Soldiers' Councils, was appointed, consisting of three majority Social Democrats, and three Independents. The forms which had thus to be adopted revealed how completely the pressure and demand of the masses in the moment

of revolution was towards the Soviet Republic. But the leaders of the new formally soviet order were its sworn enemies whose only thought was to overthrow it.

If the November revolution were to maintain itself, it is obvious that its first task was to destroy the bases of power of the old regime, which was momentarily defeated, but still fully in being: to replace at all strategic points the old reactionary bureaucracy, military caste and magistracy; to break up the landed estates; to take over the banks and large enterprises; to build up the workers' armed guards for the defence of the revolution. Had this been done, when there was full power to do it, Fascism could never have raised its head in Germany.

But the Social Democratic Government did the opposite. At every point it confirmed and protected the old regime; maintained the bureaucracy and all reactionary institutions; appointed bourgeois Ministers for War, the Navy, Foreign Affairs, Finance and the Interior; ordered the disarming of the workers; and armed and equipped special counter-revolutionary corps under the most reactionary monarchist officers. Through these White Guard corps, authorised, financed and equipped by the Social Democratic Government, the workers' revolution was drowned in blood; Liebknecht and Rosa Luxemburg were murdered, the officers who murdered them going scot free and openly glorying in their crime under the Social Democratic Government; the resistance of the workers was steadily suppressed with systematic terror through the end of 1918 and through 1919.

Thus the 1918 revolution was defeated by Social Democracy. Only so was the basis for subsequent Fascism laid.

What led the Social Democratic leadership to act in this fashion, which could in the end only mean the destruction also of their own positions? By 1920 the Social Democratic Ministers were already fleeing from Berlin in the night before the same officers they had themselves armed and equipped, and only the action of the workers saved them; by 1933, when the resistance of the workers had been still further broken and the power of the counter-revolution built up, their organisation was formally dissolved, and they passed into exile.

Blindness, folly, stupidity is the common answer of those who still seek to apologise for them, in the face of the terrible sequel of their acts.

But in fact the Social Democratic leaders acted with full consciousness of what they were doing, and could not act otherwise on the basis of their whole line. For their one thought in 1918-19, as their subsequent memoirs have abundantly shown, was to " save Germany from Bolshevism," that is, in fact, to save the capitalist regime—always in the name of " democracy." But they could only accomplish this in alliance with the most reactionary and militarist classes as the sole force to crush the working class. Therefore they entered into alliance with the bourgeoisie, with the militarists, with the old General Staff, with the White Guards—always in the name of " democracy." In a revolutionary period the class struggle knows no half-measures: either the victory of the working class revolution, or the victory of complete reaction; either Kornilov or Bolshevism; either Hindenburg or Communism. The class-realities tore through the " democratic " pretences. Only two courses were open in post-war Germany: either the victory of the working-class revolution or the complete victory of reaction. In their hostility to the former the Social Democratic leadership chose the latter. They entered into formal alliance with the representatives of the old regime.

The direct alliance of Hindenburg and President Ebert, the leader of Social Democracy, was formally sealed in an exchange of letters. Hindenburg wrote to President Ebert in December 1918 (the letter was quoted by the son of Ebert in February 1933, in a published appeal to Hindenburg, begging for the toleration of Social Democracy under Fascism in view of its past services):

I address you because I have been told that you, too, as a true German, love the Fatherland above everything, suppressing personal opinions and desires just as I had to do because of the plight of the Fatherland. In this spirit I have concluded an alliance with you to save our people from a threatening collapse.

General Groener, Chief of the German General Staff at the time of the November Revolution, gave the same evidence in the course of a libel case at Munich in November 1925, that an " alliance " was concluded between the old monarchist General Staff and Social Democracy to defeat Bolshevism. He stated:

On November 10, 1918, I had a telephone conversation with Ebert, and we concluded an alliance to fight Bolshevism and Sovietism and restore law and order. . . .

Every day between 11 p.m. and 1 a.m. the staff of the High Command talked to Ebert on a special secret telephone. From November 10 our immediate object was to wrest power in Berlin out of the hands of the Councils of Workers' and Soldiers' Deputies.

Thus the seeds of Fascism and of the victory of the counter-revolution were planted by Social Democracy. From the beginning of the revolution continuously, while the workers were most stringently disarmed and subjected to heavy penalties if any were found in possession of arms, the illegal armed counter-revolutionary corps and formations, which were the first forms of Fascism, were protected and tolerated by Social Democracy and by the Entente. " Disarmament " was never applied to these; the Fascist murder-gangs worked their will with impunity throughout the so-called " democratic republic," as shown conspicuously in their murders of Erzberger and Rathenau. The tolerance of the Entente for these formations, in deference to the insistence of German statesmen that they were essential for the defeat of the revolution, is illustrated in the diary of the British Ambassador in Berlin, Lord D'Abernon, who as late as the autumn of 1920, two years after the armistice, is still recording " long conversations " without result on the issue.

Berlin, October 22, 1920. A long conversation with Dr. Simons at the Foreign Office. Regarding Disarmament, Dr. Simons said that the demands of the Entente for the dismemberment of various Einwohnerwehr and Orgesch (Fascist) organisations was equivalent to delivering up the orderly section of the population to their greatest foes. Without organisation the bourgeois element cannot resist the Reds, who are a real danger.

In fact, effective disarmament was never carried out. Through all the varying forms and phases of the Einwohnerwehr, the Orgesch, the Ehrhardt Brigade and its successors, the Organisation Consul, the Black Reichswehr, the so-called Labour Corps, and finally the Stahlhelm and Storm Troops, the counter-revolutionary formations were maintained under the ægis of Social Democracy and the " democratic republic " right up to the final triumph of Fascism. But the workers' attempt at self-defence, the Red Front, was ruthlessly suppressed by Social Democracy (by Severing as Minister of the Interior in 1929).

On this basis was built up the Weimar Republic, which lasted

from 1918 to 1932 on the basis of the coalition of the bourgeoisie and Social Democracy. Throughout these years Social Democracy was in governmental office: during the greater number of them in the Federal Government (from 1918 to 1925 under the presidency of Ebert, and from 1928 to 1930 in the Muller Cabinet); during all of them in Prussia, through the Braun-Severing Cabinets, governing the majority of the German population; and the principal Police President posts were held by Social Democrats. Thus Fascism grew to power under the protection of Social Democracy.

The Weimar Republic was on paper "the freest democracy in the world." In reality, it covered the maintenance and protection of the reactionary institutions of the old regime, combined with the violent suppression of the workers and constant recourse to martial law and emergency dictatorship against the workers (the bloody suppressions of 1918-19; the terror in the Ruhr after the Kapp Putsch in 1920, when the workers who had defended the republic were sentenced by military tribunals composed of officers who had taken part in the revolt; the Horsing terror in Saxony in 1921; the military overthrow by the Reich of the elected Zeigner Government in Saxony in 1923; the von Seeckt dictatorship and martial law throughout Germany; the shooting down of the workers' May Day demonstrations under Severing in 1929; the emergency dictatorship from 1930 to 1933).

Of this "democratic republic" the leading American bourgeois journalist, Mowrer, with no revolutionary sympathies, could only write:

> A virgin Republic that appeals to old-time monarchists and generals to defend it against Communists! Inevitably it falls into the enemy's hands. . . .
>
> What can be said for a republic that allows its laws to be interpreted by monarchist judges, its government to be administered by old-time functionaries brought up in fidelity to the old regime; that watches passively while reactionary school teachers and professors teach its children to despise the present freedom in favour of a glorified feudal past, that permits and encourages the revival of the militarism which was chiefly responsible for the country's previous humiliation?
>
> What can be said for democrats who subsidise ex-princes who attack the regime; who make the exiled ex-Emperor the richest man in deference to supposed property rights. . . . This remarkable

Republic paid generous pensions to thousands of ex-officers and civil servants who made no bones of their desire to overthrow it."

(E. A. Mowrer, *Germany Puts the Clock Back*, pp. 17-19.)

He further notes that in 1914 30 per cent. of the officers' corps were of aristocratic lineage; in 1932 21 per cent. were of aristocratic lineage—an indication how little the real regime was changed under the so-called " democratic republic."

These were the conditions within which Fascism grew to power in Germany in the midst of bourgeois democracy. Fascism was able to utilise the growing discontent, the economic distress and the widespread anger against the slave treaty of Versailles and its tribute. But it was only able to utilise these, and to build a mass following on this basis, because Social Democracy, the majority leadership of the working class, had surrendered any leadership on these issues, and had on the contrary identified itself with capitalism, with Versailles and the tribute, and with the whole regime of oppression of the masses. And Fascism was only able to build up its strength on these issues, and to build up its armed formations, because it was protected and assisted at every point from above, by the State machine, by the police and military, by the judicature and by the big capitalists, right up to its final placing in power.

2. *The Growth of National Socialism.*

Fascism grew up in Germany, even more than in Italy, under the guidance and fostering care of the old regime, and, in particular, of the military authorities. The old General Staff remained the real centre of the State behind the outer democratic forms. The early counter-revolutionary formations, which were the precursors of Fascism, were mainly composed of officers and ex-officers. Feder, the theoretical founder of National Socialism, was a Reichswehr instructor. Hitler was put through an intensive political course by the Army authorities before being launched as a mass agitator. As he has since recounted in his autobiography, he first came in contact with the National Socialist Party (then in its first form as the " German Labour Party " in 1919) under orders from Army headquarters. The semi-professional military organisation of the Storm Troops was organised on lines closely parallel to the Reichswehr.

But Fascism, to conquer, requires to develop a mass move-

ment. The early attempts of the counter-revolution, signalised in the Kapp putsch, based solely on the officers, junkers and bureaucracy, could only end in failure. The Ludendorff-Hitler putsch of 1923, although preceded by longer agitation, also ended in immediate ignominious collapse. The leniency with which these armed revolts against the State were treated shows the semi-official protection under which the counter-revolution was being built up. The Kapp rebels went unpunished, while workers who had resisted them were subjected to heavy sentences. Ludendorff went unpunished; Hitler, an alien who had taken up arms against the State, was given a few months' detention and then allowed to continue his agitation. But the failure of these putsches showed that it was necessary to build deeper roots of a mass party, alongside military terrorist organisation. On this task Fascism concentrated its attention in the succeeding years.

The mass agitation of German National Socialism was built up on the basis of the Twenty-Five Points Programme originally adopted in 1920 (see Chapter IX), and was especially developed under Hitler, and later under Goebbels and Gregor Strasser, to direct its appeal, not only to the peasantry and urban petit-bourgeoisie, but to the working masses in the industrial districts. Whereas Italian Fascism early dropped any pretence of connection with "socialism," German Fascism could only reach a mass basis by professing to stand for "socialism." National Socialist propaganda distinguished itself by its wild and frenzied character of combined anti-Semitism, anti-capitalism, and chauvinist denunciation of Versailles and of the subjection of Germany. Its contradictions, unscrupulousness and demagogy were far more blatant than in the Italian example. As Hitler declared in *Mein Kampf* (in a sentence subsequently deleted since the twelfth edition in 1932): "The German has not the slightest notion how a people must be misled, if the adherence of the masses is to be sought." Hitler took as his model the British war-time propaganda, which he admired as the finest example of the art of demagogic lying.

Fascism can, however, as the Italian example had already shown, only reach a mass basis *after* Social Democracy has fully exposed itself and created widespread mass disillusionment in the midst of growing economic crisis and gathering revolutionary issues. This is the general background for the growth

of Fascism. A first wave of advance to such a basis was reached in the end of 1923 and the beginning of 1924, after the inflation-ruin of the petit-bourgeoisie and the failure of the proletariat in the revolutionary situation of 1923; in the elections of May 1924 National Socialism reached a vote of 1.9 millions (against 6 millions for Social Democracy and 3.6 millions for Communism). But the subsequent stabilisation period, and the widespread promises of Social Democracy of a new era of "organised capitalism" and "economic democracy," led to new hopes in Social Democracy and the dream of the peaceful, reformist "democratic" path to Socialism. By December 1924, the Nazi vote fell to 900,000. Four years later, in the 1928 elections, it had fallen to 800,000 (against 9.1 millions for Social Democracy and 3.2 millions for Communism). Only when the world economic crisis and the Brüning hunger-regime had exposed the final bankruptcy of all the promises of Social Democracy, only then Fascism leapt forward in the headlong advance which was revealed at the elections of September 1930, in a vote of 6.4 millions (against 8.5 millions for Social Democracy and 4.5 millions for Communism). This was carried forward in the Presidential elections of April 1932, to 13.4 millions, and in the elections of July 1932 (the highest point), to 13.7 millions.

What led to this sudden expansion of Fascism in Germany in 1930 to 1932? The world economic crisis, which undermined the basis of stabilisation and of the Weimar Republic, undermined equally the position of Social Democracy which was closely linked up with these. Capitalism in Germany required to advance to new methods in face of the crisis. It required to wipe out the remainder of the social gains of the revolution, in respect of social legislation, hours and wages, which had constituted the main basis of influence of Social Democracy in the working class and its stock-in-trade to point to as the fruits of its policy. In place of the concessions of the early years of the revolution, capitalism required now to advance to draconian economic measures against the workers. For this purpose new forms of intensified dictatorship were necessary. Social Democracy was thrust aside from the Federal Government, and the Brüning dictatorship was established in the summer of 1930, ruling without parliament by emergency decree—but with the support of Social Democracy. On this basis the famous Hunger

Decrees were carried through. Between 1929 and 1932, according to official figures, the average weekly wages of the German workers were reduced from 42.20 marks to 21.06 marks; the total wages and salaries paid by the employers fell from 47.5 billion marks to 25.7 billion marks; unemployment rose to eight millions; unemployment benefit was cut to an average of slightly over 9 marks. All this dictatorship and offensive was carried through with the support of Social Democracy. These were the conditions that made possible the rapid growth of Fascism.

Had Social Democracy been prepared to join forces with Communism in resisting the Brüning dictatorship and the hunger offensive, there is no question that the heavy capitalist attack need not have weakened the working-class front and played into the hands of Fascism, but would have on the contrary intensified the class struggle and strengthened the working class front and the widest mass mobilisation on this basis, leaving no room for Fascism to win a hold. But Social Democracy, rather than join forces with Communism, preferred to support the Brüning dictatorship, to support the Hunger Decrees, and to help to carry through the attack on the workers, in the name of the policy of the "lesser evil." This was the crucial weakness in the proletarian camp in the decisive years of the preparation of Fascism. This support of the Brüning dictatorship by the majority working-class organisation, controlling the trade unions, disorganised and shattered the proletarian ranks. It was only through this disorganisation of the proletarian ranks that the initiative in the critical years 1930-32, and the main gains from the universal distress, which should have strengthened the working-class front, passed instead to Fascism.

The leaders of German capitalism were well aware (as the revealing "Führerbriefe" or confidential bulletins of the Federation of German Industry during the period, quoted in the next chapter, make abundantly clear) that the policy they were compelled to pursue in the economic crisis, with the attacks on all sections of the workers, including those who had gained by the previous social legislation, inevitably meant the weakening of the basis of Social Democracy, their main support in the working class, and the strengthening of Communism. The weakened and discredited Social Democracy could no longer

hold back the growing Communist advance. The Weimar Coalition basis was bankrupt. The German capitalists clearly recognised that it was necessary to advance to a new political system, and to build up, alongside Social Democracy, a parallel new system of mass organisation, to defeat the Communist advance, against which Social Democracy was no longer adequate, and to disrupt and smash the working class.

In consequence, it was from this period, from the time of the Brüning dictatorship, that the overwhelming support of the main body of German capitalism and landlordism began to be placed at the disposal of the hitherto only partially supported National Socialism, the instrument found ready to their hand. Unlimited funds, not only from German bourgeois, but also from foreign bourgeois sources, were poured into the National Socialist coffers. An overwhelming, all-sided, lavish agitation without parallel in political history was conducted during these years; while the terrorist bands received abundant police and judicial protection to break up working-class agitation, the hand of the government dictatorship was heavy on all militant working-class organisation and agitation. The gigantic, artificial expansion of National Socialism during this period (it had begun to sink again as rapidly already by the autumn of 1932) was a highly organised product of the entire mechanism of the capitalist dictatorship. All the politically backward discontented elements of the population, petit-bourgeois, declassed elements and backward workers, were swept into the National Socialist net.

The class-conscious workers who became disillusioned with Social Democracy passed to Communism. The politically backward elements passed to Fascism. This process is shown by the successive voting figures. Between 1930 and 1932 Social Democracy lost 1,338,000 votes, while Communism gained 1,384,000 votes. Thus the Communist gains almost exactly approximated to, slightly exceeding, the Social Democratic losses. Thanks to the existence of a strong Communist Party, the losses from Social Democracy did not pass—as in England, in the National Government elections of 1931—to abstention or the class enemy, but to the militant working-class front. The gigantic Nazi gains were essentially derived from the previous voters for the old bourgeois parties, who lost many millions of votes, and from those who had not previously voted at all.

3. *The Crucial Question of the United Front.*

In spite of all the highly subsidised, and violently supported, Nazi agitation, the combined working-class forces, if they had been united, were immeasurably superior to the Fascist forces. Even in the merely numerical test of the electoral votes, they were throughout superior, with one exception. If we add together the Social Democratic and Communist votes as an indication of the potential combined working-class vote (which would have at once become immensely higher if there had been the enormous stimulus of a united fight against the capitalist dictatorship), this total exceeded the Nazi total on every occasion, save July 1932. On that occasion it totalled 13,229,000 against 13,732,000 for the Nazis. But already within four months, by November 1932, it totalled 13,241,000 against 11,729,000 for the Nazis. This, however, is merely in respect of the electoral counting of heads. In every real social and political test, in organisation, in homogeneity, in their social role, in political consciousness and in fighting power, the working-class forces, if they had been united, were immeasurably superior to the Nazi electoral miscellany.

The decisive question was thus the question of the united working-class fight. To this the Communist Party devoted all its efforts. As the issue grew more and more urgent, the Communist Party issued appeal after appeal for the united working-class front against Fascism and the capitalist attack, both to the mass of the workers and specifically to the Social Democratic Party and to the General Trade Union Federation.

The first nation-wide appeal for the united front was launched in April 1932, by the Communist Party and the Red Trade Union Opposition, who called for a combined action of all labour organisations against the then impending general wage offensive. This appeal won a measure of response among the lower trade union organs and social democratic membership, but was rejected by the Social Democratic and trade union leadership, who maintained a ban on the united front.

The second appeal for the united front was made on July 20, 1932, after the von Papen dictatorship had expelled the Social Democratic Government of Prussia. The Communist Party directly addressed itself to the Executives of the Social Democratic Party and of the General Trade Union Federation, proposing the joint organisation of a general strike for the repeal of

the emergency decrees and the disbanding of the Storm Troops. The Social Democratic leadership rejected this appeal for a united front, branding any call for a general strike as a provocation, and declaring that the only method to oppose Fascism was the ballot.

The third appeal for a united front was made on January 30, 1933, after Hitler had been installed as Chancellor. This appeal won such wide response that, though the Social Democratic leadership made no official answer, it was compelled to explain its refusal in its Press and put forward tentatively alternative suggestions of a "non-aggression pact" (i.e., abstention from verbal criticism), but specifically excluding any action against Hitler on the grounds that he was legally in power and should not be opposed.

The fourth appeal for a united front was made on March 1, 1933, after the burning of the Reichstag and the unloosing of the full Nazi terror. This appeal was left unanswered by the Social Democratic and trade union leadership, who were endeavouring to come to an understanding for the toleration of Social Democracy under Fascism.

Alongside these direct appeals for the united front, the Communist Party endeavoured to the utmost of its power to build the united front from below with the Social Democratic, trade union and unorganised workers throughout Germany. This won a wide measure of response, as shown in increasing mass demonstrations and partial strikes and actions; but it was heavily handicapped from reaching effective strength by the official ban of the Social Democratic and trade union leadership, who excluded all active members and organisations that took part in the united front.

In the face of this record, it is impossible for any impartial judge to reach any other verdict than that the united working-class front, which could alone have defeated Hitler, was rendered impossible solely by the official ban of the Social Democratic and trade union leadership. This was the decisive condition which made possible the victory of Fascism in Germany.

Social Democracy rejected the united working-class front because it was pursuing an alternative line, which it declared to be the correct line for defeating Fascism—the line of unity with the bourgeoisie and support of the bourgeois State, even under conditions of dictatorship. This was the so-called line of the

" lesser evil." What was this conception of the " lesser evil "? The existing bourgeois dictatorship, even after democratic forms had been flung aside, even under Hindenburg, Brüning, von Papen or von Schleicher, was declared to be a " lesser evil " than the victory of Fascism. Therefore it should be supported, and every blow against the workers accepted passively without struggle (the same line was subsequently pursued by Austrian Social Democracy in the support of Dollfuss). But these forms of dictatorship were only preparing the ground for complete Fascism, destroying the resistance of the workers step by step, and, as soon as their work was complete, handing over the State to Hitler. Thus the line of the " lesser evil " meant the passive acceptance of every stage of development to complete Fascism. And even when Hitler came to power, his rule, on the grounds that he was " legally " in power, was proclaimed a " lesser evil " to an " illegal " Nazi terror, and therefore not to be opposed. Thus the line ran continuously without a break to the complete Nazi terror and suppression of all working-class organisations. In this way the line of Social Democracy ensured the victory of Fascism in Germany without a struggle.

The first step in this policy was the " toleration " of the Brüning dictatorship since 1930.

The second decisive step was the support of Hindenburg as President in 1932. Social Democracy urged that the victory of the reactionary Hindenburg was necessary to defeat Hitler (as against the Communist warning to the workers that " a vote for Hindenburg is a vote for Hitler "). As soon as Hindenburg was installed as President by the support of Social Democracy, before a year was out, he placed Hitler in power.

The third decisive step was the passive acceptance in July 1932, of the forcible ejection of the constitutional Social Democratic Government of Prussia by von Papen.

> All over Germany Socialists who read the news of the ignominous dismissal of Braun and Severing waited for the inevitable answer—the general strike—and waited in vain.
>
> (Mowrer, *Germany Puts the Clock Back*, p. 7.)

The Social Democratic Ministers, instead, appealed to the Supreme Court at Leipzig, which indulged in some very delicate legal discussions as to the legal status of the dismissed Ministers in relation to the Commissar imposed in their place—until the

completion of the Fascist dictatorship rendered further discussion unnecessary.

This was in fact the culminating point already in July 1932. From this point it was clear to the bourgeoisie that the complete Fascist dictatorship could be put through without resistance from Social Democracy, which would only exert its powers to hold in the workers.

4. *The Causes of the Victory of Fascism.*

Although the effective building of the united working-class front was thus prevented by the official ban and active opposition of Social Democracy, there was a growing measure of partial united front development from below through the initiative and leadership of Communism. During 1932 a rising wave of resistance developed among the workers. This showed itself in the rising strike movement in 1932, led by the Communists, and the overwhelming mass demonstrations against von Papen, culminating in the Berlin transport strike of November 1932. The Berlin transport strike was led by the Red Trade Union Opposition, after an overwhelming majority vote of the men for a strike (14,000 out of 18,000 voting and 21,000 eligible to vote) had been turned down by the trade union officials; it was completely effective in stopping all traffic, and was only broken by wholesale Government violence, arrests and shootings. At the same time the November elections reflected the rising wave: the Nazi vote fell by over two millions, the Social Democratic vote fell by 700,000, while the Communist vote rose by 700,000 to nearly six millions.

This situation, as revealed both in the Berlin transport strike and in the elections, opened up the prospect of the effective leadership of the working class passing rapidly in the near future to Communism, while the Fascist tide was visibly ebbing. Urgent measures had to be taken by the bourgeoisie. Von Papen had to resign on November 17. Long negotiations followed between Hindenburg and Hitler. But it was finally decided that, in view of the rising working-class resistance, it was necessary first to temporise and manœuvre for a short space. The " social General " von Schleicher was accordingly installed as Chancellor for a couple of months, during which he relaxed some of the emergency decrees, especially with regard to the freedom of the Press and assembly, proclaimed his main

concern with the " social question," negotiated for an alliance with Leipart and the trade union chiefs, who accordingly praised him highly in their Press, and in general sought to lull the workers' resistance. (At the same time, strong police protection was given to the Nazis, as in their provocative demonstration in the Bülow Square on January 25, 1933.) Then, when the ground seemed adequately prepared, Hitler was installed as Chancellor on January 30.

The ebbing of the Fascist tide in the elections of November 1932, had been universally hailed by Social Democracy as the end of the Fascist danger. The Social Democratic Press spoke of " the final annihilation of Hitler." The leading Second International organ, the Vienna *Arbeiterzeitung* wrote: " One thing is now clear: Germany will not be Fascist." The British Labour publicist, Laski, wrote in the *Daily Herald:*

> I think it is a safe prophecy that the Hitlerite movement has passed its apogee, and that it is unlikely to retain much longer the appearance of solidity it had a few months ago. Hitler or some of his partisans may enter the von Papen Cabinet; but in that case they will be rapidly submerged by the forces of the Right. . . . The day when they were a vital threat is gone. . . . All that remains of his movement is a threat he dare not fulfil. . . . He reveals himself as a myth without permanent foundation.
>
> (H. J. Laski, *Hitler: Just a Figurehead*, in the *Daily Herald*, November 19, 1932.)

Such was the wisdom of Social Democracy on the very eve of Hitler's dictatorship. At the same time the Communists were giving the warning with regard to the election defeats of the Nazis: " However great the defeat of National Socialism may have been, it would be criminally foolish to talk of the smashing up of the mass-movement of Fascism " (*Communist International* December 1, 1932).

Once again the Communist diagnosis proved correct, as in the case of the election of Hindenburg, and on issue after issue in the whole development to Fascism, and the Social Democratic diagnosis proved hopelessly incorrect. The electoral retreat of the Nazis in November, so far from meaning the annihilation of Fascism, meant the opposite. Just the evidence of waning mass support hastened the decision of the bourgeoisie to place Fascism in power, before its stock should have hopelessly sunk and Communism grown to full strength in the

working class, in order that on the basis of State power Fascism should be able to rebuild its strength and smash all opposition.*

If the coming to power of Fascism in Italy was already the opposite of a " revolution," being entirely carried out under the guidance and protection of the higher authorities, this was still more ignominiously the case with the coming to power of Fascism in Germany. There was no pretence of a " march on Rome." There was no question of a parliamentary majority or combination. There was no question of a conflict with the existing ruling authorities. So far from Fascism coming to power on the crest of a popular wave, as the myth is attempted to be created after the event, Fascism was heavily ebbing in mass support, and its leaders were actually discussing (according to the expelled Otto Strasser in his *Black Front*) the danger of the rapid disintegration of their movement. It was just because of this menace of decomposition of the last reserves of defence for bourgeois rule that the bourgeois dictatorship decided to take the plunge and place Fascism in power as the final measure. Fascism was placed in power by the grace of a social-democratically-elected President.

The significance of placing Hitler in power was above all the amalgamation of the already existing dictatorial State machine, prepared by Brüning and von Papen, and the extra-legal Fascist fighting forces to create a single unparalleled instrument of

* Interesting confirmation of this analysis of the situation preceding the advent of Hitler to power is afforded by the American observer, C. B. Hoover, in his book *Germany Enters the Third Reich* (1933). Arriving in Germany in the latter part of 1932, he found the situation following the November elections as follows:

" During this period the writer discussed the political situation with industrialists, editors, bankers, political leaders, university professors, labour leaders, economists, and others. Almost without exception they insisted that Hitler had missed his hour. . . . In spite of the fact that the writer had come to Germany in September 1932, with the fixed belief that Hitler's coming to power was a virtual certainty, the fact that nowhere could there be found anyone outside the National Socialist movement who would even entertain the possibility finally shook this conviction " (p. 64).

He admits that alone the Communists judged the situation more accurately:

" With the possible exception of the Communists, the opposition parties and classes had been living in a fool's paradise. . . . ' Responsible opinion ' was unanimous that the process of disintegration in the National Socialist Party was progressing at an accelerated pace " (p. 88).

He notes further that just this disintegration of the Nazi movement convinced the big bourgeoisie of the necessity to take immediate steps to counteract this:

" After the losses of the National Socialists in the Reichstag elections of November, German ' Big Business ' decided that the immediate danger was that the National Socialist Party might disintegrate too rapidly " (p. 83).

terror for war on the working class. Whereas in Italy the great part of the work of terror and material destruction was carried out already before the conquest of power, in Germany this was not possible to anything approaching a similar degree, owing to the superior strength of the working class; and the overwhelming terror and destruction, the unleashing of all the furies of lawlessness, only took place after the Nazis were safely ensconced in State power. As the American bourgeois observer, Calvin Hoover, writes:

> It must be emphasised that there was no revolution at all in the sense of seizure of the State power against resistance from the armed forces of the State or from any other force. Von Papen had completed taking over the State without resistance in July 1932, and had passed the State power on to von Schleicher, who in turn had handed it over to Hitler. Consequently, the assaults which took place were against unarmed and unresisting individuals. . . . The extraordinary skill of Hitler in paralysing the will to resist of his opponents had, strictly speaking, made all these acts of violence unnecessary except as a means of satisfying the blood-lust of the S.S. and S.A. detachments.
>
> (Calvin B. Hoover, *Germany Enters the Third Reich*, 1933, pp. 111-2.)

The " extraordinary skill " was not necessary; the " paralysing the will to resist " was accomplished, not by Fascism, but by Social Democracy.

The question is often asked why the advent to power of Hitler and the unleashing of the Nazi terror did not immediately release a universal movement of resistance of the powerful German working class. The question reveals a failure to understand the conditions. The control of the majority of the working class, and in particular of the overwhelming majority (nearly nine-tenths, according to the factory councils elections) of the employed industrial workers, and of the entire trade union machine, lay with Social Democracy. The traditions of the German working-class movement are, more than in any country, the traditions of a disciplined movement. The decision as to the action or otherwise of the German working class in the face of Hitler lay entirely in the hands of the Social Democratic and trade union leadership.

But the policy of Social Democracy was to " tolerate " Hitler, and even (especially in the case of the trade union leadership)

to seek to reach an accommodation with him. Already in 1932 the Social Democratic leadership were speaking favourably of the prospect of a Hitler Government. Thus Severing declared in April 1932: " The Social Democratic Party, no less than the Catholic Party, is strongly inclined to see Herr Hitler's Nazis share the Governmental responsibility." And the party organ *Vorwärts* wrote in the same period: " Apart from constitutional considerations it is a precept of political sagacity to allow the Nazis to come to power before they have become a majority." Let Hitler come to power; Hitler's coming to power is inevitable; Hitler's coming to power will be the quickest way to expose him: this was the fatal line of thought of Social Democracy. Only the Communists were opposing this line and proclaiming in the same period (*Rote Fahne*, April 26, 1932): " We shall do everything to bar Hitler's way to Governmental power." But the Communists were in the minority.

When Hitler came to power on January 30, the Social Democratic leadership rejected the Communist appeal for a united struggle. They declared that Hitler had come to power " constitutionally " and " legally " (i.e., by the appointment of Hindenburg from above), and therefore should not be opposed. The only course was to await the elections on March 5. Meanwhile Hitler armed the Storm Troops and incorporated them in the State as " auxiliary Police " with special control of the " policing " of the elections, suppressed the entire Social Democratic and Communist Press, forbade all working-class meetings and propaganda, arrested all leading militants, and let loose the terror, and under these conditions held his " elections."

Even the conservative *Times* was compelled to declare that such conditions, already a fortnight before the burning of the Reichstag and before the full terror and suppression, " render the holding of normal elections impossible " (*London Times*, February 15, 1933). On the eve of the poll the *Daily Herald* wrote (March 4, 1933): " The people of Germany go to the polls under the shackles of a vile terrorism. . . . The result of the poll will be no index of the thought of the nation." The figures of the polling, which in some districts exceeded the number of electors, revealed also the falsification of the poll, in addition to the terror.

Yet after the terror elections the entire Social Democracy seized eagerly on the plea that Hitler had now a " democratic

mandate," and that it would be indefensible to oppose him save as a "loyal parliamentary opposition." Stampfer, the former editor of *Vorwärts*, wrote in the party bulletin after the elections:

> The victory of the Government parties makes it possible to govern strictly in accordance with the Constitution. . . .
>
> They have only to act as a legal Government, and it will follow naturally that we shall be a legal opposition; if they choose to use their majority for measures that remain within the framework of the Constitution, we shall confine ourselves to the role of fair critics.

Kautsky wrote:

> The Dictatorship has the mass of the population behind it.
>
> (Kautsky, *What Now? Reflections upon March 5th.*)

The Diplomatic Correspondent of the *Daily Herald*, W. N. Ewer, wrote:

> The triumph of Hitler, everyone is saying, is a heavy defeat for democracy. Yet it is really nothing of the kind. It is a victory of democracy, or at any rate of demagogy. He (Hitler) has come to power by the most strictly constitutional means. He is Chancellor of Germany under the Weimar Constitution, and by virtue of the Weimar Constitution.
>
> Of course there was a certain amount of intimidation at the elections. There always is. But it was under the circumstances curiously small. . . . The figures indeed are proof that the election was practically free.
>
> (W. N. Ewer, "Why Hitler Triumphed," *Plebs*, April 1933.)

The Chairman of the Independent Labour Party, Maxton, wrote:

> The brutalities do not make my statement false that Hitler first contrived to get a popular mandate for setting up his regime.
>
> (J. Maxton, *New Leader*, December 29, 1933.)

Thus Social Democracy endeavoured to cover its subserviency and bootlicking to Fascism by the transparent device of ignoring the terror *preceding* the election, and thereafter arguing that the mock "election" conducted under the terror constituted a "democratic mandate." The victory of Fascism was, in the Labour and Social Democratic view, a "victory of democracy." There was a "certain amount of intimidation at the elections," but "curiously small." The complete suppression of the Communist and Social Democratic Press; the arrest of the Communist deputies; the raids on Communist and Social Democratic buildings; the armed occupation of the Com-

munist headquarters; the suppression of all freedom of speech and meeting; the beating up and imprisonment of thousands of the most active Communist and Social Democratic workers: all this is a " curiously small " amount of " intimidation at the elections." " The election was practically free." Such is the Labour Party conception of " democracy," which throws a revealing light on their pose as champions of " democracy " or their claim through it to bar the way to Fascism.

The line of Social Democracy after the elections, in the face of the full operations of the Fascist dictatorship and terror, continued this degradation and subserviency to the extreme point, in the endeavour to win favour with Fascism. The speech of the leader, Wels, at the opening of the Reichstag on March 23, was the signal expression of this line of endeavouring to win the favour of Fascism. Wels, as leader of the party, publicly resigned from the Executive of the Second International, in protest at the spreading of " atrocity stories " by the latter against the Nazis. The trade union leadership proclaimed their readiness to co-operate with Fascism, acclaiming in their Press the Fascist " revolution " as a triumphant " continuation " of the 1918 revolution, urging that the common enemy was Communism, and that their " socialism " also was " a German affair " (*Sozial Demokratischer Pressedienst*, March 9, 1933). On this basis the trade union central executive officially called on the workers to participate in Hitler's May Day. " The union leaders," declared the Labour *Daily Herald* (April 24, 1933), " have sealed their reconciliation with the new rulers of Germany."

Nevertheless this subserviency did not win for the reformist leadership the hoped for position of a recognised and tolerated adjunct to Fascism. A large proportion of the workers in the big enterprises refused to obey their leaders' instructions and held off the Nazi May Day demonstration. As soon as it was thus clear that the hold of the reformist leadership on the workers was insufficient to serve the purposes of Fascism, immediately on the next day, on May 2, the Nazis took over the trade unions, incorporating them into their Labour front, and threw the leaders into prison, replacing them by Nazi officials. " The Leiparts and the Grassmanns," declared Dr. Ley, the leader of the Nazi Labour front, " may profess their devotion to Hitler; but they are better in prison."

The Social Democratic Party trod the same path of ignominious capitulation, followed by dissolution. On May 17 the entire Social Democratic Party in the Reichstag voted for the Fascist Government's resolution, and joined in the unanimous acclamation of Hitler. This also did not avail them. The entire property of the Social Democratic Party was confiscated, and on June 22 the organisation was formally declared dissolved.

If the attempt of Social Democracy to become an officially recognised and tolerated adjunct of Fascism thus failed (in fact, a considerable number of the functionaries, state and municipal officials, police presidents, trade union organisers, etc., directly joined the Nazis and continued in their posts, as also the Reichstag leader, Loebe, and the former Minister of the Interior, Severing, later declared their support of the Nazis), this was manifestly not for any lack of trying on the part of the leadership, but only because Fascism had no confidence in their power to control the workers and no use for any form of independent working-class organisation, however subservient the leadership. Social Democracy was thus forced by the bourgeoisie, in spite of all its pleadings, to perform its task of disruption under the conditions of illegality, under which conditions it could be of more use to the bourgeoisie in the event of a rising revolutionary wave in the working class than if it were openly identified with Fascism.

The opposition to Fascism thus rested throughout with the Communist Party alone, which was the sole political force in Germany to maintain the fight against Fascism unbroken through all the terror. But the Communist Party was not yet at the moment of the Fascist coup in a strong enough position to lead the working class in the face of the opposition of the Social Democratic and trade union machine. The figure of six million Communist electors is a deceptive measure of the real fighting strength, because the fighting strength of the working class depends on the employed industrial workers in large-scale industry, and just there Communism was weak. In 1930 at enterprises employing 5,900,000 workers, the reformist trade unions had 135,689 factory committee members, or 89.9 per cent. of all factory committee members. The proportion of Communist influence was thus inadequate to draw the working class into the struggle. The Communist call for the general

strike against Hitler remained without effective response; the majority of the workers remained faithful, to their own heavy cost and subsequent disillusionment, to Social Democratic discipline. In this situation for the Communist Party to have attempted an insurrection as a minority, in isolation from the mass of the working class, would have been an indefensible putsch, resulting only in the destruction of the vanguard of the working class and ensuring Hitler's power for a generation. The Communist Party was compelled in consequence to pursue the difficult course of postponing the decisive struggle, to maintain its organisation, to spread an ever-widening network of agitation and organisation in the midst of conditions of unparalleled terror, and in this way to build up the illegal revolutionary movement and the leadership of the working class and to prepare the final decisive struggle for the overthrow of Hitler and the victory of the working-class revolution. The speed, tenacity, heroism and self-sacrifice with which this task is being accomplished—on a scale unparalleled in working-class history under conditions of illegality and terror, as testified even by all bourgeois observers—is the guarantee of future victory.

The decisive causes of the temporary victory of Fascism in Germany thus stand out sharply and clearly:

First, the strangling of the 1918 revolution, the destruction of the power of the working class in the name of " democracy " and the restoration of the capitalist dictatorship and the protection of the reactionary institutions of the old regime under the cover of Weimar " democracy."

Second, the support of the Brüning dictatorship, and of the successive stages of emergency dictatorship in preparation of Fascism, by Social Democracy and the trade unions.

Third, the rejection of the united working-class front, and active ban on the united working-class front, by Social Democracy and the trade unions.

Fourth the refusal of Social Democracy and the trade union leadership to resist Hitler on his accession to power or on the opening of the Nazi terror.

The experience of Germany from 1918 to 1933 is the classic demonstration before the international working class of how a working-class revolution can be destroyed and squandered and brought to the deepest abyss of working-class subjection. It is

the classic demonstration before the international working class of where the path of bourgeois "democracy" leads, step by step to its inexorable conclusion.

History has produced in the two great post-war revolutions, the Russian Revolution and the German Revolution, the gigantic demonstration of the two main paths in our epoch and where they lead. The Russian October Revolution and the German November Revolution occurred within twelve months of each other; but they followed divergent paths. The one followed the path of the proletarian dictatorship, of the Communist International. The other followed the path of bourgeois "democracy," of the Second International. The theoretical expression of that divergence was contained in the controversy at the time of Kautsky and Lenin. To-day, a decade and a half later, we can see where those two paths have led.

The path of the proletarian dictatorship, of Lenin, of the Communist International, has led to the ever-greater strengthening of the workers and the triumphant building of Socialism.

The path of bourgeois "democracy," of Kautsky, of the Second International, has led to the victory of Fascism.

CHAPTER VII

HOW FASCISM CAME IN AUSTRIA

HARD on the heels of the victory of Fascism in Germany came the establishment of the Fascist dictatorship of Dollfuss in Austria during 1933-4.

The rising of the Austrian workers in February 1934, against this Fascist dictatorship opened a new stage in the struggle of the international working class against Fascism, at the same time as it finally completed the German experience in exposing the illusions of " democratic socialism."

The lesson of Austria is even clearer and sharper in many respects than that of Germany.

1. *The Significance of the Austrian Experience.*

In the first place, Austria revealed a conflict between two rival forces of Fascism, the Heimwehr and the Nazis, openly reflecting the battle for domination of rival imperialist and Fascist Powers over the living body of the Austrian people. There could be no more striking demonstration of the real role of Fascism as the chauvinist predatory policy of particular groupings of finance-capital, belying all the " national," " popular " and " pacific " pretences. The battle of Fascist Germany and Fascist Italy over the body of Fascist Austria provides a foretaste of the " majestic peace of World Fascism." Both these forces were in fact equally united against the working class, but sharply in conflict between themselves for the dominant position. In the initial stage the Clerical-Fascism of Dollfuss, subordinate to Italian Fascism, has conquered; but the further development of events may still bring a change of combinations and the possible ultimate dominance of the Nazis and Pan-German Fascism. In this situation the fatal policy of the working-class organisations under Social Democratic leadership was to endeavour to support one Fascist group against the other, Dollfuss against the Nazis, as the " lesser evil," and thus to smooth the way at every stage for the advance and victory of Fascism.

Second, the Fascist dictatorship of Dollfuss grew directly out of bourgeois democracy under Dollfuss, even more clearly than the parallel Hindenburg-Hitler process in Germany. Dollfuss was acclaimed throughout Western Europe as the " champion of democracy against Fascism " (i.e., against the German Nazi menace), and on this basis was supported and tolerated by Social Democracy, at the same time as in fact he was carrying through the transition to Fascism. Up to the last, on the very eve of the workers' rising, Social Democracy was offering to accept and support an emergency dictatorship of Dollfuss, the suspension of the parliamentary regime, and institution of a form of Corporate State, on condition of being permitted to exist under these conditions—the clearest, most conscious expression of the line of Social Fascism. The policy of Social Democracy, of the " lesser evil," here receives its crushing exposure no less heavily than in Germany.

Third, the Austrian working class was the most highly organised in the capitalist world. In a population of six millions the paying membership of the Social Democratic Party numbered six hundred thousand, and the voting strength one and a half millions, or 70 per cent. of the electorate in Vienna and 40 per cent. of the electorate in the whole country. There was no question of a " split " in organisation. The Communist Party, although playing a role of great significance in the fight (it alone gave the call for the general strike on February 10, which was forced by the workers on the reformist leadership on the 11th), and in the actual launching of the fight (Linz, where the united front of the Communist and Social Democratic workers had been established in defiance of the reformist leadership, and the fight was opened against the express orders of the reformist leadership), was nevertheless extremely weak in numbers. The attempt to explain the advance and victory of Fascism by the " split " in the working class through the existence of Communism is thus exploded once and for all by the example of Austria. Social Democracy boasted of its sole complete control of the working class, and thereby admits its sole responsibility for the outcome. " There was no split in the Austrian Labour Movement; the Communists were merely an insignificant minority. The fact that so powerful a party should have been completely smashed is now naturally engaging the attention of Socialists in all

countries" (Otto Bauer on "Tactical Lessons of the Austrian Catastrophe"). In reality, the Austrian workers *were* split, and therefore defeated; but the split was *within* Social Democracy, between the workers and the leadership, and through the action of the leadership. The real question of the split in the working class through the existence of a Social Fascist leadership is thus laid bare beyond the possibility of concealment.

Fourth, Austrian Social Democracy was, despite the smallness of the country, in its theoretical role and in the high degree of organisation and supposed "practical results," the leading party and the "model party" of international Social Democracy, and in particular of Left Social Democracy. Where German Social Democracy or British Labourism was far more more glaring and shameless in its virtual or specific repudiation of Marxism and acceptance of capitalism, the corruption of the Austrian Social Democratic leadership was covered under the subtle sophistries of "Austro-Marxism." Further, many of the leaders were obviously "sincere" in their democratic-pacifist betrayal of the struggle; even though by their policy they did everything to assist the strengthening of capitalism and the advance of Fascism, even though by their policy they made the defeat of the struggle certain, though they failed to prepare it, to organise it or to lead it, and did everything to prevent it, nevertheless, when the workers launched it in spite of them, some of them took part and suffered. This is commonly accounted to the Austrian Social Democratic leadership for virtue and for rebuttal of the charge of "Social Fascism." On the contrary, just this makes the real role of *political treachery* of the whole line of Social Democracy far more clear and unmistakable. The question of politics is not a simple question of subjective "sincerity." Long ago, at the Second Congress of the Communist International, when Serrati endeavoured to defend the reformist Turati as "sincere," and argued against the Twenty-one Conditions on the grounds that it was impossible to produce a "sincerometer" or test of sincerity, Lenin replied: "We have no need of such an instrument as a 'sincerometer'; what we have is an instrument to test political directions." And it is in this sense that the rôle of Austrian Social Democracy is revealed with unexampled clearness, with a completeness and relative absence of complicating factors unequalled elsewhere, as a role of direct service and assistance to the victory of Fascism.

Fifth, the armed rising of the Austrian workers, both in its strength and in its weaknesses, has marked out and lit up the future line of the fight of the international working class against Fascism. To the experiences and lessons of this struggle, alike political, strategic and tactical, it will be constantly necessary to recur in every country in the further development of the struggle against Fascism.

The Second International endeavours to draw two lessons from the Austrian events. On the one hand, they endeavour to exploit the fight of the Austrian workers, launched in the face of the express warnings and prohibitions of the Social Democratic leadership, as a vindication of the " honour " of Social Democracy after the German exposure, and a proof that Social Democracy can and does fight. On the other hand, they endeavour simultaneously to prove that the Austrian outcome has shown the policy of armed struggle to be impossible and foredoomed to failure; that against modern artillery nothing can avail, and that the Austrian rising was only a " heroic gesture," nothing more (" No one doubted that the military forces of the Government were much stronger than the power of the workers, and that the workers could not succeed in struggle against the Government."—Bauer).

Thus Social Democracy seeks to prove two opposite conclusions. They wish simultaneously to cover their real policy of surrender with the stolen glory of the rising which they prohibited, and in the next breath to prove the correctness of their policy of surrender, that struggle is impossible, and that the victory of Fascism is consequently inevitable.

Both conclusions are false. The Austrian workers fought, not through the initiative and leadership of Social Democracy, but *against* the express instructions of Social Democracy.

The victory of the workers is not impossible. The lesson of Austria shows the exact opposite, how closely victory was within reach of the workers, had there been leadership and organisation, had the full forces of the working class been brought into play, had there not been division and chaos at every strategic point of the leadership, and had the struggle been entered on at the right time, with clear political aims and with the tactics of the offensive. Victory was only made impossible by the policy of Social Democracy. It can be, and will be, achieved under revolutionary leadership.

2. *The Betrayal of the Central-European Revolution.*

As in Germany, so in Austria the issue of the workers' struggle cannot be judged solely on the basis of the final stage of the Fascist coup, of the days of February 1934, but must be seen in relation to the whole line of development of 1918-1934. Just as the strangling of the 1918 revolution in Germany by Social Democracy laid the basis for the ultimate victory of Fascism, so also in Austria.

The victory of the proletarian revolution in Austria was fully in the grasp of the workers in 1918-19, and was only prevented by Social Democracy. This is common ground, and is admitted by the Social Democratic leaders themselves. Otto Bauer describes the situation at the end of the war in his book *The Austrian Revolution of 1918*:

> There was deep ferment in the barracks of the people's army. The people's army felt that it was the bearer of the revolution, the vanguard of the proletariat. . . . The soldiers with arms in hand hoped for a victory of the proletariat. . . . "Dictatorship of the proletariat!" "All Power to the Soviets!" was all that could be heard in the streets.

He continues:

> No bourgeois government could have coped with such a task. It would have been disarmed by the distrust and contempt of the masses. It would have been overthrown in a week by a street uprising and disarmed by its own soldiers.
>
> Only the Social Democrats could have safely handled such an unprecedentedly difficult situation, because they enjoyed the confidence of the working masses. . . . Only the Social Democrats could have stopped peacefully the stormy demonstrations by negotiation and persuasion. Only the Social Democrats could have guided the people's army and curbed the revolutionary adventures of the working masses. . . . The profound shake-up of the bourgeois social order was expressed in that a bourgeois government, a government without the participation in it of the Social Democrats, had simply become unthinkable.

The role of Austrian Social Democracy was thus in fact exactly parallel to that of the German. The power of the workers' revolution was deliberately destroyed by Social Democracy in the name of bourgeois "democracy." The bourgeois order was only saved by the Coalition Government from 1918 to 1920 of Austrian Social Democracy and the bourgeois parties, with

Bauer as Foreign Minister and Deutsch as Minister for War. This is the background which lies behind the victory of Fascism.*

Austrian Social Democracy argued at the time in defence of its policy that, although the proletarian revolution was certainly and easily possible in Austria in 1918-19, it could not hope to maintain itself in so small, dependent and isolated a state, in the face of the forces of imperialism. Yet in fact the Soviet Republic was achieved in Hungary and Bavaria; the drive was strong throughout Germany and Italy. Had Soviet Austria stood in with Soviet Hungary and Bavaria, an unshakable power could have been built up in Central Europe; the whole history of post-war Europe would have been different. Instead, Austrian Social Democracy abandoned Soviet Hungary to its fate, and then, when the White Terror raged in Hungary, pointed to it to prove the fate from which it claimed to have saved the Austrian workers. To-day the event has proved that the Austrian workers were not saved from White Terror; they were only robbed of the possibility of victory when it was in their grasp.

But at the time Austrian Social Democracy held out before the workers, not the real alternative which events were to demonstrate, but an imaginary golden alternative of peaceful

* The British Labour spokesman, Laski, writes of the role of Otto Bauer in his "Salute to Vienna's Martyrs" (*Daily Herald*, February 17, 1934):

"Austrians themselves acknowledge that without his influence there would have been civil war in Vienna when the peace of 1919 came. That there was half a generation of peace in this troubled country Austria owes to him more than to any man.

"The privileged class has rewarded him not only by bombarding his accomplishment to pieces, but by making certain in the years that lie ahead the bloody revolution he strove with all his great powers to avert."

The "ingratitude" of the bourgeoisie to Social Democracy for having saved it is the only lesson that the Labour publicist is able to draw even after this demonstration of the iron logic of the class struggle. That the first event, the refusal and active preventing of the path of the proletarian revolution and of civil war, when it could have been achieved with the greatest success and the minimum of suffering, is the *cause* of the second, the subsequent crushing, after capitalism has recovered its strength and prepared its armed forces, of the workers in blood, he is unable to see. He admits that the path of "bloody revolution" now becomes inevitable—after fifteen years of suffering, after the maximum strengthening of the class enemy, and therefore now involving far heavier sacrifice and bloodshed, that the so-called "peaceful" path is thus *proved* to involve in the end, not the avoidance of bloodshed, but the *maximum of bloodshed*. But he refuses to recognise the plain conclusion that the whole Labour and Social Democratic theory is thereby exploded.

advance to socialism through " democracy." Bauer wrote in his *Bolshevism or Social Democracy?* (1921):

In a modern highly-civilised society, where all classes take part in public life, no other form of class-rule is any longer durably possible save one which permits the subject classes freedom to influence " public opinion," participation in the formation of the collective will of the State, and control over its working: a class-rule, therefore, whose basis rests on the social factors of influence of the ruling class, and not on the use of mechanical instruments of force " (p. 116).

Such was the bourgeois-liberal wisdom of " Austro-Marxism," now mercilessly exposed by the event, when Bauer and Deutsch have themselves had the opportunity to make the acquaintance at first hand of the " mechanical instruments of force " of the ruling class.

In this way, while the Austrian workers suffered and went short under the " democratic republic," the magnificent apartment buildings erected in Vienna for a portion of their numbers became the " symbol " of reformist " achievement," of the supposed " alternative " to Bolshevism—in reality, of the temporary buying off of the workers' revolt, while the bourgeoisie was not yet strong enough to defeat them, preliminary to smashing them. The Second International Manifesto on the Austrian events declares:

The fate of the wonderful municipal houses of Vienna is a symbol. The constructive work of the Socialists created them; the guns of Fascism have reduced them to smoking ruins.

The " symbol " goes very much further than the Second International appears to realise. It was not only the apartment buildings that were struck by the guns; it was the illusions of reformism, of the " alternative " path to Bolshevism.

The Russian journalist, Ilya Ehrenburg,* has related how in 1928 he visited these municipal buildings in all their glory, conducted by a proud representative of Social Democracy. He admired these buildings, their planning, their construction, their beauty, their organisation, even though he could not fail to see alongside the playing fountain in the beautiful garden an unemployed worker, weak with hunger. But he asked his guide: " You have indeed constructed wonderful houses. . . . But have you not the feeling that these houses are built on the land of another? Has not the example of our country taught that the worker must pay with his blood for every foot of ground

* *A Soviet Writer Looks at Vienna*, London, 1934.

that he conquers? We had to destroy much—to destroy in order after victory to construct. You have begun, not with the machine-gun, but with the compass and the rule. With what will you end?" His companion smiled and replied: "We shall end with the pacific victory of socialism. Do not forget that at the last elections seventy per cent. of the population of Vienna voted for us." That was in 1928. In February 1934, Ilya Ehrenburg revisted these buildings. He saw the battered walls, the gaping holes, the débris under which people said corpses still lay, the trembling, cowering women and children, hunger and misery, and the flags of the Heimwehr flying from the towers. He had witnessed the "pacific victory" of socialism.

Out of the conditions of bourgeois democracy, in Austria as everywhere, Fascism was bred. The bourgeoisie, under the protecting ægis of Social Democracy, under cover of the magnificent apartment buildings built up its strength anew and prepared its armed forces for the struggle.

But Fascism was not born in a night. It took fifteen years for it to grow to full strength. The workers, seeing what was afoot, insisted on the organisation of their Defence Corps. The leaders promised that if democracy should once be threatened, they would act; they developed their famous "defensive theory of violence," that violence should only be used by the workers in defence of democracy. Meanwhile they took no action. Fascism grew unchallenged.

In 1927 the anger of the workers at the growth of Fascism and open connivance of the State authorities broke all bounds. Following the acquittal of a Fascist who had murdered a worker, they rose and stormed the lawcourts of Vienna; Vienna was in their hands, if their leaders had been ready to lead. But their leadership, in control of the municipal administration of Vienna, sided with the bourgeoisie, with the police, with the State authorities, and thus in fact with Fascism, against the workers. The workers' rising was crushed in blood, with the connivance of Social Democracy.

Dr. Deutsch, the commander of the Republican Defence Corps' has reminded the world that at the time of the Vienna disorders of 1927, when an excited mob burned down the Palace of Justice, not one military weapon of the many thousands at their command was issued to the Republican Defence Corps. There are photographs on record showing that Burgermeister Seitz and other Socialist leaders

at the risk of their own lives went out into the midst of the angry mob to calm them. Ninety-five men and women were killed by police bullets on that occasion, and only five police—figures which speak for themselves. Why did not these blood thirsty revolutionaries seize their opportunity, when the Heimwehr were in their infancy, the army largely socialist, democracy unchallenged in Europe, and the Clerical Party comparatively weak? . . . It is that the Austrian Social Democratic Party has established by its whole history the right to the description of democratic and pacific" (*New Statesman and Nation*, February 24, 1934).

Thus the approval of the bourgeois-liberal journal. The working class will take a different view of 1927, when Austrian Fascism could have been wiped out in its infancy. The cost of this bourgeois-liberal approval for the "democratic" "pacific" Social Democratic leadership has been the sacrifice of the lives of the best of the Austrian workers, the suppression of the organised working-class movement and the victory of Fascism.

Meanwhile Austrian Social Democracy held out to the workers the illusory prospect of the defeat of Fascism by "democracy." After the 1930 elections had returned the Social Democratic Party as the largest party, with 72 representatives, against only 8 representatives for the Heimwehr, the party leadership triumphantly reported:

> Democracy has inflicted a crushing defeat on the Heimwehr and its promoters. . . . The Heimwehr movement, which until recently believed itself to be on the eve of the final victory, is in a state of rapid decline. . . . The purely political problems have ended with the complete victory of the working class.
>
> (Report of the Austrian Social Democratic Party to the Vienna Congress of the Second International, July 1931.)

Such was the degree of prevision of the Social Democratic leadership, reposing peacefully in the supposed security of paper ballots, while paralysing the real struggle of the workers. The illusions of the Italian reformist leadership, after the success of the elections of May 1921, as having "submerged the Fascist reaction under an avalanche of Red votes," or of the German reformist leadership after the elections of November 1932, as marking the "final annihilation of Hitler," were thus exactly paralleled in Austria. In reality Fascism was preparing its final coup, when the issue would depend, not on paper ballots, but solely on the mass struggle and the organisation of class force.

3. *The Fascist Dictatorship and the February Rising.*

It was only as the sequel of the whole above chain of development that came the culminating stage since March 7, 1933, when Dollfuss finally threw aside the mask and proclaimed open dictatorship and the suspension of parliament.

Now, if ever, was the time to act even for the "democrats." Now was the time for the famous "defensive theory of violence" to demonstrate its meaning in practice. But the Social Democratic leadership still found reasons to put off action. Social Democracy was engaged in the policy of the "toleration" of Dollfuss as the "lesser evil" against German Nazism, and was seeking to negotiate an agreement with Dollfuss.

> The Social Democratic Party did not reply with forcible resistance. On the contrary, right down to the last it made every effort to enter into negotiations with the Dollfuss Government. . . . This peaceful and waiting attitude of the Social Democratic Party only encouraged the Dollfuss-Fey Government to adopt more and more antagonistic measures against the working class and against the Social Democratic Party.
>
> ("International Information," bulletin of the Second International, February 18, 1934.

Why, after all the loudly repeated declarations over many years concerning the action that would be taken "if" democracy were once attacked, was no action taken when on March 7, 1933, Dollfuss carried through his coup d'etat and suspended democratic institutions?

Basically, because all these typical Social Democratic asseverations of *future* action "if" democracy is attacked, "if" the bourgeoisie attempt, etc., are inherently and inevitably valueless, and worse than valueless, when the *present* policy is the policy of class-co-operation. *The present policy determines the future action.* It is not possible, even if there were the will (and in fact there was not the will) at a moment's notice to transform a deeply enroutined machine and large-scale organisation of class-co-operation, pacifism and legalism within twenty-four hours into an organ of class struggle and revolution. Only when the united front of struggle has been effectively established in the preceding period, when the leadership and training and practice and organisation of struggle and militancy on all issues has been already established, only then can there be readiness when the Fascist coup strikes. Otherwise inevitably,

whatever the previous promises and threats and boasts, when the time comes, there will be enormous hesitation, sense of overwhelming "difficulties," yearnings for a "peaceful" settlement, prudent counsels to postpone the struggle, to save what can be saved of the organisation and not hazard all upon a single battle, desperate efforts for some "way out" without a struggle, hopes against hopes that it is not yet the final issue.

This is what happened to Austrian Social Democracy. Bauer writes of March 7, 1933, and the following eleven months:

> What was to be done now? The Social Democrats knew very well that it would be very difficult for a general strike to succeed in a period of unprecedentedly severe and prolonged unemployment. The Social Democrats made every imaginable effort to avert a violent issue. Over a period of eleven months we tried again and again to establish negotiations with Dollfuss. . . . Again and again we offered to agree to extensive constitutional reforms and to the granting of extraordinary powers to the Government for a period of two years, all that we asked in return being the most elementary legal freedom of action for the Party and the trade unions. . . .
>
> We over-estimated the possibility of reaching a peaceful settlement.
>
> (Bauer, "Tactical Lessons of the Austrian Catastrophe," *International Information*, March 8, 1934.)

Thus "democracy" went by the board. Just as German Social Democracy supported the Brüning emergency dictatorship, and sought to come to terms with the Hitler dictatorship, so Austrian Social Democracy was fully prepared to support a Dollfuss emergency dictatorship, in return for a permitted existence of its organisation under the dictatorship (while the Communist Party was suppressed). Such was the humiliation of "Austro-Marxism"—a humiliation which did not even attain its object.

The Social Democratic leadership at the party conference in October 1933, had laid down four conditions in the event of any one of which to launch the struggle against the Fascist dictatorship: (1) if a Fascist constitution were proclaimed without consulting parliament; (2) if the Vienna municipal administration were superseded; (3) if the Party were suppressed; (4) if the trade unions were suppressed. In fact this widely advertised strategy of the four conditions never came

into operation in practice to launch the struggle. The Fascist dictatorship was steadily engaged in consolidating its position, in disarming the workers, in arresting the local leaders, in arming its forces, and in sapping the workers' positions in detail, until at last the workers found themselves compelled to resist if they were not to be already completely wiped out before the four conditions came into operation. Thus the four conditions were not a method to prepare the struggle, but in reality *a mechanism to paralyse the struggle.*

What was the consequence of this whole line of successive surrender and protracted attempts at negotiation? Did it succeed even in "averting a violent issue"? On the contrary. It only ensured that that violent issue should develop under the conditions most favourable to Fascism and most unfavourable to the proletariat. Fascism was able to strengthen and prepare its forces, while the workers were weakened. Bauer continues, in the statement already quoted:

> But during the eleven months that we were trying to secure a peaceful dénouement, the military strength of the Government considerably increased, the Heimwehr was supplied with arms, and on the other hand, large sections of the working class—especially the railwaymen—were discouraged, crushed and robbed of their fighting spirit by the oppressive tactics of the Government.

He is accordingly compelled to make the significant admission (italics added):

> *If we had launched our attack at an earlier stage, our action would have been on a greater and more universal scale, and the prospects of victory would have been brighter.*
>
> Consequently, if we did make a mistake, *our mistake consisted in unduly prolonging our efforts for a peaceful settlement and in unduly postponing the decisive struggle.* There is no need for us to to feel ashamed of this mistake! We made it because we wanted to spare the country and the working class the disaster of a bloody civil war."

Similarly in his pamphlet "*Der Aufstand der Oesterreichischen Arbeiter*," published in English under the title "*Austrian Democracy Under Fire*," Bauer writes of the critical days of March, 1933:

> The masses of the workers were awaiting the signal for battle. The railwaymen were not yet so crushed as they were eleven months later. The Government's military organisation was far weaker than in February 1934. *At that time we might have won. But we shrank*

dismayed from the battle. We still believed that we should be able to reach a peaceful settlement by negotiation. Dollfuss had promised to negotiate with us at an early date—by the end of March or the beginning of April—concerning a reform of the Constitution and of the Parliamentary agenda, and we were still fools enough to trust a promise of Dollfuss. We postponed the fight, because we wanted to spare the country the disaster of a bloody civil war. *The civil war, nevertheless, broke out eleven months later, but under conditions that were considerably less favourable to ourselves. It was a mistake—the most fatal of all our mistakes.*

Did they "spare the working class a bloody civil war"? No; they only ensured its defeat. He admits that "the prospects of victory would have been brighter," "we might have won," if they had only acted in March 1933, just as 1927 would have been more favourable than 1933, and 1918-19 than 1927. The "pacific" policy did not avert civil war in the end: it only made the conditions the most unfavourable for the working class and ensured the heaviest defeat in place of victory. "Austro-Marxism" stands condemned out of its own mouth.

The waiting policy meant that Fascism was step by step able to prepare its positions. The Defence Corps was declared illegal. The Communist Party was declared illegal. The Heimwehr was strengthened and fully equipped with arms. Arms of the workers were searched for and seized wherever they could be found. Local leaders were arrested. At strategic points, particularly among the railwaymen, militants were removed and "patriotic" agents installed. All this, of decisive importance for the future struggle, went forward without resistance. The workers pressed more and more for resistance, but the Social Democratic leadership held them back, thus performing its indispensable service to Fascism. The "First Report" of "a Leader of the Austrian Social Democratic Party," published in the Second International bulletin on February 18, 1934, declares:

> The embitterment of the working class regarding the Government's policy continually increased. . . . The embitterment of the workers was directed more and more against the policy of the Party Executive, which was to wait and be prepared for agreement. Growing numbers of members of the Party demanded with increasing force that the offensive should be taken. . . . For months past it has been increasingly difficult for the Party Executive to make the

embittered workers understand the necessity for this waiting policy.

Here is seen the real *split* in the Austrian working class—between the workers (the united front between the Social Democratic and Communist workers was growing in the localities) and the Social Fascist leadership.

When the final struggle at last broke out on February 11, 1934, it broke out *in spite of* and *against* the orders of the Social Democratic leadership. The official " Report " already quoted makes this clear:

During the last week there were growing signs that the Government was preparing for the decisive blow. . . . These events caused the workers to take the following view: ". . . In this situation we can no longer allow ourselves to be disorganised by the arrests of Schutzbund leaders and by the confiscation of stores of arms, unless we are to confront a Fascist coup d'etat defenceless and unable to fight within a very few days."

In spite of this the Party Executive still adhered to its line. It considered it to be necessary for the workers to wait for the results of the negotiations between the Federal Chancellor and the Provincial Governments with regard to the demands of the Heimwehr, and that they should not take the offensive until one of the four cases should arise in which a defensive struggle for the defence of the Constitutional order would according to the decision of the Party be unavoidable. *On Sunday (February 10) officers of the Party Executive gave instructions on these lines to comrades who reported on the agitation among the workers, and urgently warned them against taking the initiative on their own account.*

But the agitation among the masses had reached such a pitch that these warnings from the Party Executive were not heeded.

Thus the honour of the Austrian rising rests wholly with the workers, and not with the Social Democratic leadership. The role of the leadership was only to disorganise the struggle at every stage.

The struggle of the Austrian workers was not defeated by the superior forces of the enemy. It was defeated by the disorganising role of the Social Democratic leadership. This was clear in all the events leading up to the struggle. It was no less clear in the actual struggle.

Instead of being able to enter the struggle with the full strength of their organised force on a strategic plan, with the maximum mobilisation of the masses, and with a clear political

lead the workers had to enter the struggle by local initiative from below, sporadically, partially, against hampering opposition from above, losing the possibility of the initiative, losing the possibility of the offensive, and thus yielding all the strategic advantage to the enemy.

Many people believe that the Socialists would have won control in Austria if all sections of the working class had supported them.

In many places the workers were split among themselves and reached decisions too late.

Several leading trade unions refused to give instructions to strike to the factories they controlled. (*Daily Herald*, February 16, 1934.)

The general strike was first vetoed, and, even when the workers compelled the call to be given, after the struggle had already begun, the call never reached the majority of the workers, and a great part of the trade union machine made no attempt to make it effective. The railwaymen continued to carry the Government troops, thus giving to them full liberty of movement and concentration. The struggle of the Defence Corps was fatally cut off from the masses, instead of being developed as a mass struggle, and even the majority of the Defence Corps were never mobilised or brought into the struggle. There was no political mass lead to positive aims of the struggle, but only halting apologetic explanations of "defence of the Constitution." Because the initiative was lost through disorganisation, through the absence of any central leadership beginning and organising the struggle, the possibility of the offensive and of seizing the main public buildings of the centre at the outset was lost; the Government was able to complete its cordon of the inner city and artillery preparations before the struggle began; the fight was turned from the first into a defensive fight.

Yet even under all these heaviest disadvantages a position was achieved by the second day in which the Government forces weakened and the issue was in doubt:

On the Government side the troops are reported to be exhausted and disheartened. According to the Vienna correspondent of the *Berliner Tageblatt*, sections of the Fifth Infantry Regiment have deserted to the Socialists. Deprived of a bully's "walkover," the Fascist Heimwehr showed they had little stomach for a real fight. Many have flung down their arms, and the rest may be withdrawn to barracks (*Daily Herald*, February 14, 1934).

Bauer himself is compelled to admit that, despite all the Government's artillery, the victory could have been won by the working class, had the struggle been developed as a mass struggle:

> After four days' fighting the workers of Vienna were defeated. Was this result inevitable? Could they conceivably have won? After the experience of those four days we can say, that if the railways had stopped running, if the general strike had spread throughout the country, if the Schutzbund had carried with it the great mass of the workers throughout the country, the Government could hardly have succeeded in suppressing the rising.
>
> (Otto Bauer: *Austrian Democracy Under Fire*, p. 34.)

The closer the analysis of the tactical conditions and organisation of the struggle, no less than of the conditions leading up to the struggle, the clearer stands out the conclusion that the Austrian rising, the greatest battle of the workers in the post-war period, has not shown the impossibility of the victory of the workers in armed struggle under modern conditions, as the Social Democratic leaders in all countries now endeavour to argue. On the contrary, it has shown the certainty of future victory, once the united front is built up, once revolutionary leadership has replaced Social Democratic treachery, once the poison of pacifist-democratic reformism has been replaced by the revolutionary aims, tactics and organisation of the working-class fight.

CHAPTER VIII

SOCIAL DEMOCRACY AND FASCISM

IT is evident from the previous survey of the historical development of Fascism in Italy, Germany and Austria that the role of Social Democracy is of decisive importance in the development to Fascism. The understanding of these two closely-related phenomena of the post-war period, of modern Social Democracy and of Fascism, is of key importance for the whole understanding of post-war capitalist politics. The whole question, however, is ringed round with controversy, and requires very careful further analysis, if the real issues of Fascism, and the conditions of the growth of Fascism are to be understood.

It should be explained that the term " Social Democracy " is here used only to cover the post-war phenomenon, the post-1914 Social Democratic Parties which subsequently united to form the post-war Second International or " Labour and Socialist International " in 1923. Although the tendencies of opportunist parliamentary corruption and absorption into the capitalist State were already strong and growing before the war throughout the imperialist epoch, even while the nominal programme of international revolutionary Marxism remained, and were increasingly fought by the revolutionary wing within these parties since the beginning of the twentieth century, it was only the decisive test of the imperialist war in 1914 that brought these tendencies to their full working out and openly revealed these parties as having passed over to capitalism. The direct passing over in this way since 1914 of large organisations of the working-class movement in all the imperialist countries, and especially of the parliamentary and trade union leadership, to open unity with capitalism and with the capitalist State, is a big historical fact; and the subsequent evolution of these parties since the war has played a large role, in the early years in the defeating of the working-class revolution, and in the subsequent years in the growth of Fascism.

This latter role was already showing itself in very marked preliminary forms in those secondary states where White dictatorships were established, in Hungary, Finland, Bulgaria etc. In the period of the reconstruction and partial stabilisation of capitalism with the aid of Social Democracy, and still more since the development of the world economic crisis and the shattering of the basis of capitalist reconstruction, this character has become increasingly marked throughout Social Democracy. A process of " fascisation " in a whole variety of forms and stages, as well as of playing directly into the hands of Fascism, can be traced.

Nevertheless, although many disillusioned Social Democrats, especially after the glaring example of Germany and the consequent crisis throughout the Second International, are increasingly coming to recognise the role Social Democracy has in practice played in the development of Fascism, yet the Communist analysis of " Social Fascism " as the more and more dominant character of Social Democracy in the latest period, and constituting the parallel basis with Fascism for the maintenance of the rule of finance-capital to-day, has often aroused indignant resentment and much misunderstanding

It is therefore necessary to examine more fully the " twin " character of Social Democracy and Fascism as the bases of support of capitalism in the present period.

1. *The Capitalist View of Social Democracy and Fascism.*

It will be most useful to begin the examination of this question with a consideration of the view of modern finance-capital on the roles of Social Democracy and Fascism.

The view of finance-capital is to be found expressed with exemplary clearness in the *Deutsche Führerbriefe* already referred to, or confidential bulletin of the Federation of German Industry during the critical year 1932. These " Führerbriefe " or " Letters to Leaders " constitute a " political-economic private correspondence," originally issued for confidential circulation to the heads of finance-capital, organised in the Federation of German Industry. Nos. 72 and 75 of September 16 and 20, 1932, contained a study of " The Social Reconsolidation of Capitalism," which is a revealing expression of the outlook of the dominant financial groups.

The writer sets out from the basic viewpoint that the main-

tenance of capitalist rule depends on the splitting of the working class:

The necessary condition for any social reconsolidation of bourgeois rule possible in Germany after the war is the splitting of the workers' movement. Any united workers' movement springing up from below must be revolutionary, and this rule would not be able to hold out against it for long, not even with the means of military power.

The main danger is thus the united working-class front: against this even military force could not long prevail. Capitalism accordingly requires a social basis outside its own ranks and splitting the working class. This has been provided in the post-war period by Social Democracy.

The problem of consolidating the bourgeois regime in post-war Germany is generally determined by the fact that the leading bourgeoisie, who have control of the national economy, have become too small in order to uphold their rule alone. They require for this rule, if they do not wish to rely on the extremely dangerous weapon of purely military force, an alliance with strata which do not belong to them socially, but which render them the indispensable service of anchoring their rule in the people, and thereby being the actual and final bearers of this rule. This last or " outermost bearer " of bourgeois rule was, in the first period of post-war consolidation, Social Democracy.

So far the analysis is simple. Social Democracy had provided the basis for the maintenance of capitalist rule and splitting the working class. But what has made it possible for Social Democracy to split the working class? What is the social basis of Social Democracy? Here the analysis of the spokesman of finance-capital comes very close to Lenin's analysis of the causes of the split in the working class in imperialist countries. The writer finds the basis of Social Democracy, and of its splitting of the working class, in the privileged conditions, based on social legislation and concessions, of a favoured, organised section of the working class:

In the first reconstruction era of the bourgeois post-war regime, in the era from 1923-4 to 1929-30, the split in the working class was founded on the achievements in regard to wages and social policy into which Social Democracy capitalised the revolutionary upsurge.

Thanks to its social character as being originally a workers' party, Social Democracy brought into the system of reconstruction at that

time, in addition to its purely political force, something more valuable and enduring, namely the organised working class, and while paralysing their revolutionary energy chained them fast to the bourgeois State.

It is true that November socialism was also an ideological mass flood and movement, but it was not only that, for behind it there stood the power of the organised working class, the social power of the trade unions. This flood could ebb, but the trade unions remained, and with them, or more correctly stated, thanks to them, the Social Democratic Party remained.

On this basis the main body of the organised working class was " chained fast to the bourgeois State " through Social Democracy and the trade unions, while Communism was kept outside as by a " sluice mechanism ":

These (the achievements in regard to wages and social policy) functioned as a sort of sluice mechanism through which, in a falling labour market, the employed and firmly organised part of the working class enjoyed a graduated, but nevertheless considerable advantage compared with the unemployed and fluctuating mass of the lower categories, and were relatively protected against the full effects of unemployment and the general critical situation on their standard of living.

The political frontier between Social Democracy and Communism runs almost exactly along the social and economic line of this sluice-dam; and all the efforts of Communism, which, however, have so far been in vain, are directed towards forcing a breach into this protected sphere of the trade unions.

This system worked well enough until the world economic crisis began to destroy the basis of stabilisation. The economic crisis compelled capitalism to wipe out the " achievements" of wages and social policy, and thereby to undermine the basis of Social Democracy. But this raised the danger of the working-class forces passing to Communism. Therefore it was necessary to find a new instrument for splitting the workers—National Socialism:

The process of the transition which we are undergoing at present, because the economic crisis necessarily destroys these achievements, passes through the stage of acute danger that, with the disappearance of these achievements, the mechanism of disrupting the working class which is based upon these achievements will cease to operate, with the result that the working class will begin to turn in the direction of Communism and the bourgeois rule will be faced with the

necessity of setting up a military dictatorship. This stage would mark the beginning of the phase of the incurable sickness of bourgeois rule. As the old sluice mechanism can no longer be sufficiently restored, the only possible means of saving bourgeois rule from this abyss is to effect the splitting of the working class and its tying to the State apparatus by other and more direct means. Herein lie the positive possibilities and the tasks of National Socialism.

The new conditions mean, however, a change of the form of state. The tying of the organised working class to the State through Social Democracy requires the parliamentary mechanism; conversely, the liberal parliamentary constitution can only be acceptable for monopoly capitalism provided Social Democracy successfully controls and splits the working class. If capitalism is compelled to destroy the basis of Social Democracy, then it is equally compelled to transform the parliamentary constitution into a non-parliamentary "restricted" (i.e., Fascist) constitution.

The tying of the trade union bureaucracy to Social Democracy stands and falls with parliamentarism. The possibility of a liberal social constitution of monopoly capitalism is determined by the existence of an automatic mechanism which disrupts the working class. A bourgeois regime based on a liberal bourgeois constitution must not only be parliamentary; it must rely for support on Social Democracy and allow Social Democracy adequate achievements. A bourgeois regime which destroys these achievements must sacrifice Social Democracy and parliamentarism, must create a substitute for Social Democracy, and must go over to a restricted social constitution.

The solution of the problem of the maintenance of capitalism in crisis the writer accordingly finds in National Socialism and the establishment of a "restricted" or Fascist regime. The writer finds in the role of National Socialism in the present period a remarkable parallel, in his view, to the role of Social Democracy in the preceding period.

The parallelism is indeed really striking. The then Social Democracy (from 1918 to 1930) and present-day National Socialism both perform similar functions in that they both were the gravediggers of the preceding system, and then, instead of leading the masses to the revolution proclaimed by them, led them to the new formation of bourgeois rule. The comparison which has often been drawn between Ebert and Hitler is also valid in this respect.

Both appeal to the anti-capitalist yearning for emancipation; both promise a new " social " or " national " commonwealth.

From this the final conclusion is drawn:

> The parallelism itself shows that National Socialism has taken over from Social Democracy the task of providing the mass support for the rule of the bourgeoisie in Germany.

Such is the exposition of the private thought of the finance-capitalist oligarchy on the role of its two instruments, Social Democracy and Fascism. We have so far reproduced this exposition without criticism, because it has independent value as an authoritative statement, all the clearer through not having been written for public consumption, of the real viewpoint of finance-capital. It is a valuable political document which may be recommended for the study of disciples both of Social Democracy and of Fascism. It will be noted that this remarkably candid and clear-headed statement of the real case for Fascism, as seen by its actual paymasters and controllers, shares none of the mystical, national, racial, " corporative," chauvinist nonsense with which Fascism is presented for public consumption, but is thoroughly rational and hard-headed. To this it will be important to return in considering the so-called " theory " of Fascism.

The actual analysis, however, although a useful starting-point of discussion on the question of Social Democracy and of Fascism, requires in certain respects criticism. The writer sees correctly the mechanics of capitalist post-war rule on the basis of Social Democracy. But he writes as if Fascism " has taken over from Social Democracy the task of providing the mass support for the rule of the bourgeoisie." Yesterday Social Democracy performed this role; to-day it is Fascism; each has its period. Social Democracy and Fascism are thus seen as performing an essentially identical role, only in differing periods, and under different conditions, and therefore with differing methods and forms of state constitution. This is, however, too simple, and is not correct. Both exist together; and each performs a distinctive role, supplementing one another. Fascism bases itself primarily, for its social basis, on the miscellaneous petit-bourgeois strata, the peasantry, the declassed elements and backward workers. Social Democracy bases itself on the upper strata of the industrial workers. The bourgeoisie builds its rule

on the support of both, bringing now one, now the other, to the forefront, and utilising both for its support. Fascism never becomes the main basis of the bourgeoisie (although it may become its main and sole governmental instrument when the crisis requires the coercion of all the workers, and the hold of Social Democracy is in danger of weakening), because Fascism never wins the main body of the industrial workers with traditions of organisation—the sole power that can overthrow capitalism. Here the role of Social Democracy remains of decisive importance, even after the establishment of the Fascist dictatorship. This is seen with obvious clearness in those countries, e.g., Poland, Bulgaria, Hungary, Spain under De Rivera, etc., where Social Democracy is tolerated under a Fascist dictatorship. But it is also true in those countries of fully completed Fascist dictatorship—Germany, Italy—where Social Democracy as an organisation is formally suppressed and the trade unions absorbed into the Fascist front. Only so far as Social Democratic influence, ideology and traditions still dominate the industrial workers, disorganising the revolutionary fight, preventing the united front and mass struggle, only so long can the rule of capitalism be maintained, even in its Fascist forms. In these countries also, if the Fascist dictatorship weakens, Social Democracy stands ready to come to the rescue of capitalism.

The distinction of Social Democracy and Fascism is no less important to understand than the parallelism.

Both are instruments of the rule of monopoly capital. Both fight the working-class revolution. Both weaken and disrupt the class organisations of the workers. But their methods differ.*

Fascism shatters the class organisations of the workers from without, opposing their whole basis, and putting forward an alternative " national " ideology.

Social Democracy undermines the class organisations of the workers from within, building on the basis of the previous independent movement and " Marxist " ideology, which still holds the workers' traditions and discipline, in order more effectively to carry through the policy of capital and smash all militant struggle.

* Left Social Democrats often say of Communism: " Our aims are the same; we differ only in our methods." It would be more correct to say of Social Democracy and Fascism: " Their aims are the same (the saving of capitalism from the working-class revolution); they differ only in their methods."

Fascism accordingly requires for its full realisation the " totalitarian " terroristic class-State.

Social Democracy controls the workers most favourably and successfully in the liberal-parliamentary class-State, utilising its own " internal " methods of discipline, and occasional State-coercion, for the suppression of all militant struggle.

Fascism operates primarily by coercion alongside of deception.

Social Democracy operates primarily by deception, alongside of coercion.

It is this combined relationship of difference in method and parallellism in basic aim and role that underlies Stalin's definition, given already in 1924 (" Main Factors of the Present International Situation," *Communist International*, English edition 1924, No. 6), that " Social Democracy objectively represents the moderate wing of Fascism."

2. *The Germs of Fascism in Social Democracy.*

Fascism not only historically draws its origin in large part from Social Democracy in the sense that many of its principal leaders spring from Social Democracy: Mussolini, former editor of the Italian Socialist central organ *Avanti*; Pilsudski, former leader of the Polish Socialist Party; Mosley, former Minister of the second MacDonald Labour Government.

Fascism also draws its ideology mainly from the lines already worked out by Social Democracy.

The attempt can be made to trace earlier strands and tendencies in pre-war non-Marxist forms of Socialism already giving hints of aspects later developed in Fascism: e.g., Lassalle's "national" type of socialism (the Lassallean party's deputies, it may be noted, voted the war credits of 1870, while the Marxists abstained), Prussian tendencies and coquetting with Bismarck; Proudhon's credit-fallacies and opposition to the class struggle; Sorel's cult of violence, " social myths " for mass-deception, and denunciation of democracy in the abstract; the Syndicalist cult of " occupational " lines of division; Fabian super-class State glorification; Hyndman's already pre-war social chauvinism and big navy agitation. The Fascist writers seek to trace their spiritual ancestry from three main sources: Mazzini (the old liberal democrat would turn in his grave), Proudhon and Sorel. But this is mere myth-making. Fascism

is essentially a product of the post-war general crisis of capitalism, and has no spiritual ancestry. Fascism is in practice an abortion consequent on the miscarriage of the proletarian social revolution.

It is from 1914, when Social Democracy directly abandoned Marxism and internationalism, that the characteristic trends of ideology akin to Fascism begin. A study of the principal extreme expressions of the war-socialists, especially of Lensch, Parvus and Cunow in Germany, Hervé in France, or Blatchford in England, would reveal many striking resemblances with subsequent Fascism. " In this world war," wrote Lensch in 1916, " Germany completes its revolution " (the typical use of " revolution " to cover the most extreme monopolist dictatorship and chauvinism) ; " at the head of the German Revolution stands Bethmann-Hollweg." Cunow declared that Social Democracy must adapt itself to imperialism and throw overboard the remains of liberal-democratic ideology about " the right of nations to political independence." " England in the war " wrote the war-socialist Hänisch " represents the reactionary, and Germany the revolutionary principle." All these illustrate the use of " revolutionary " phrases and denunciation of obsolete " liberal-democratic " superstitions to cover in practice complete subservience to monopolist capitalism and chauvinism. Denial of internationalism, advocacy of class-unity or the " sacred truce," and service of the capitalist State in the name of " socialist " or " revolutionary " phrases—these are the common starting-point of modern Social Democracy since 1914, and, in a more developed form, of Fascism.

But it is in the post-war period that the ideology of Social Democracy becomes the real breeding-ground for Fascism. Social Democracy emerged from the war with two clearly marked characteristics: first, close unification of each party with its own " national," i.e., imperialist State, and denial of any save the most formal " letter-box " internationalism; second, class-co-operation, in the forms of coalition ministerialism and trade union collaboration, to help to build up capitalist prosperity as the necessary condition of working-class prosperity. It will be seen that these basic principles are already close to the basic principles of " National Socialism."

Social Democracy after the war was faced with two tasks: first to defeat the working-class revolution; second, to help to

reconstruct the shattered structure of capitalism. The first brought the Social Democratic leadership into close alliance with the reactionary, militarist and White Guard circles, and trained it in undertaking governmental responsibility in shooting down the militant workers. The second task of capitalist reconstruction, after the period of direct civil war was closed, required ever closer collaboration of Social Democracy and the trade unions with monopoly capitalism.

This collaboration of Social Democracy with capitalism in the period of reconstruction and stabilisation required the development of a corresponding new ideology. The war-time ideology of the " national danger " and the necessity of unity against " the common enemy " could no longer serve in peace time. In the period of reconstruction and stabilisation a new theoretical basis had to be developed. The collapse of capitalism, it was argued, was not in the interest of the working class; the working class required a prospering capitalism as the basis of the advance to socialism; " it is useless to socialise misery," as Kautsky declared, pointing to the " economic ruin " of Russia as the warning of the consequence of the alternative path. Capitalism had not yet exhausted its development; it had still before it the advance to a new flourishing era of " organised capitalism "; this was the path to socialism. The task of the workers was to help to rebuild capitalism, increase production, and help to develop the new rationalised " organised capitalism," with increasing participation economically through the trade unions (" economic democracy," Mondism) and politically through Social Democracy in the Government; this was the true path of advance as against the " catastrophic " policies of Communism. In the period of stabilisation, rationalisation and the short-lived boom of 1927-9 this new ideology of Social Democracy reached its highest development.

Marxism began to be more or less openly thrown overboard, especially by the trade union leadership, even though it remained formally on the programme. The leading German trade union theorist, Tarnov, came out openly at the Breslau Congress of the German Trade Union Federation:

> Marxism as a leading ideology of the working-class movement has outlived itself. But as a real great mass movement cannot exist without a corresponding ideology, therefore we, the leaders of the trade unions, must create a new ideology.

The essence of the " new ideology " was in fact the very old pre-Marxist (originally Liberal, later Fabian and finally Fascist) theory of the identity of interests of the working class and capitalism. As another leading theorist of the German trade unions declared:

> One must not lose sight of the fact that the working class is a part of the capitalist system, the downfall of which system is its own downfall; and therefore the great historical duty of the working class is to obtain by means of the regulation of its place in that system the improvement of the whole social structure, which is again equivalent to the betterment of its own social situation.

The same line of thought was expressed by the General Council of the British Trades Union Congress in its Report to the Swansea Congress in 1928, when it analysed three possible courses before the trade unions, and advocated the third (the Mondist line of collaboration with capitalism) as the best:

> The third course is for the trade union movement to say boldly that not only is it concerned with the prosperity of industry, but that it is going to have a voice as to the way industry is carried on, so that it can influence the new developments that are taking place. The ultimate policy of the movement can find more use for an efficient industry than for a derelict one, and the unions can use their power to promote and guide the scientific reorganisation of industry as well as to obtain material advantages from the reorganisation.

Social Democracy and the trade unions under its leadership thus become, in the Social Democratic theory, constituent parts of modern capitalist organisation and of the capitalist State (the Webbs had in fact fully worked out this theory long before the war; and this theory is the underlying thread of their *History of Trade Unionism*, as indeed of all their work). " Social Democracy to-day," affirmed Hilferding at the Kiel Congress of the German Social Democratic Party in 1927, " is an indispensable element of the State." " Without the trade unions," wrote Citrine, " industry under modern conditions could not function effectively " (W. M. Citrine, " Trade Unionism—the Bulwark against Chaos," *Reynolds' News*, September 4, 1932).

Every development of organisation and strengthening of monopoly capitalism and its dictatorship is thus hailed as the advance of " Socialism." Characteristic of this is the Labour Party's advocacy of the " public corporation " (i.e., State-protected capitalist trust, with guaranteed dividends for the

shareholders) as the form of modern socialism—exemplified by the London Passenger Transport Act, which was introduced by a Labour Government and carried through by a Conservative Government, and hailed by the Labour Party as a triumph of " Socialism." On this the conservative *Times* declared:

> The principal objections which have been raised may be grouped under three main heads—namely that the Bill is a " Socialist " measure; that it creates a dangerous monopoly; and that it will raise the cost of transport. None of these criticisms will really bear very prolonged examination. It is true that the Bill in its original form was produced by a Socialist Government, and that the then Minister of Transport, Mr. Morrison, nearly succeeded in damning it for ever by claiming it as a triumph of Socialism. But where in fact does the Socialism come in? On what point of principle will the new transport undertaking differ from the Central Electricity Board or from Imperial Communications Company, both of which were created by a Conservative Government? Like them indeed it is a statutory monopoly, and therefore subject to a certain degree of public control; but it is privately, not publicly owned.
>
> (*Times* editorial, " The London Traffic Bill," December 1 1932.)

It is obvious that the " public corporation " of the Labour Party and Social Democracy bears close analogies in principle to the Fascist " corporation " as the system of organisation for industry.

On this basis Social Democracy upholds the modern developments of monopolist capitalism as already the advent of " Socialism." As the German Social Democratic leader, Dittmann, declared at the Magdeburg Congress of the Social Democratic Party:

> We are no longer living under capitalism; we are living in the transition period to socialism, economically, politically, socially. . . .
>
> In Germany we have ten times as many socialist achievements to defend as they have in Russia.

The world economic crisis dealt a heavy blow to this ideology. But Social Democracy adapted itself to the crisis by an extension of its theories. It was now necessary, it declared, to " save " capitalism from the menace of chaos and proletarian revolution. The Leipzig Congress of the German Social Democratic Party in 1931 gave out the watchword: " We must be the

physicians of ailing capitalism." Vandervelde, the Chairman of the Second International, proclaimed in the Belgian Chamber of Deputies in 1932:

> The capitalist system is cracking in all its parts. It can only be saved by serious and urgent measures. We are at the eleventh hour. Take care that the proletariat, like Samson, does not bring crashing down the columns of the temple.
>
> (E. Vandervelde, *Le Peuple*, May 7, 1932.)

And the French Socialist, Montel, had indeed already proclaimed before the crisis (*République Sociale*, November 15, 1928): "The Socialist Party will present itself as the only party capable of saving bourgeois society."

Through the whole of this line and propaganda it is evident that Social Democracy was in practice preparing and smoothing the way for Fascism and for the conceptions of Fascism. And indeed even after the victory of Fascism Leipart, the leader of German trade unionism, directly used the same line of argument to prove that the trade unions could be accepted by Fascism as subservient instruments of the Fascist dictatorship:

> The trade unions have come into being as the organised self-help of the working class; and in the course of their history through natural causes have become more and more fused with the State itself.
>
> The social tasks of the trade unions have to be fulfilled no matter what the form of the State regime is. . . .
>
> The trade unions are fully prepared, even beyond the field of wages and working conditions, to enter into permanent co-operation with the employers' organisations.
>
> A State supervision over such collaboration could in certain circumstances be conducive towards raising its value and rendering its execution more easy.
>
> The trade unions do not claim to influence directly the policy of the State. Their task in this respect can only be to direct the just claims of the workers to the attention of the Government with reference to its measures of social and economic policy and legislation, and also to be of service to the Government and Parliament through its knowledge and experience in this field.

This was the official declaration of German trade unionism in March 1933, offering its alliance to the Fascist dictatorship. It was received with expressions of pain and indignation in the non-German Social Democratic Press as a "shameful capitulation." Yet the line expressed is exactly identical with the line

of argument, on the question of trade unionism and the State, employed by a Citrine in Britain, a Green in the United States, or a Jouhaux in France.

With this may be compared Mussolini's suggestion in 1921 of a possible alliance of reformist Social Democracy and Fascism:

> In the field of social legislation and of improvement in the standard of life of the working classes, the Socialists may find unexpected allies within Fascism. The salvation of the country may be assured, not by the suppression of the antithesis between Fascism and Socialism, but by their reconciliation within Parliament. A collaboration with the Socialists is quite possible, especially at a later stage, after the clarification of ideas and tendencies, under which the Socialist Party at this moment labours, is ended. It is evident that the co-existence of Intransigent and Reformist Socialists in the same party will in the course of time become impossible. Either revolution or reform resulting from participation in the responsibilities of power.
>
> (Mussolini, *Popolo d'Italia*, May 22, 1921.)

The course of events rendered this direct alliance unnecessary; but Mussolini subsequently took the reformist trade union leaders, D'Aragona and his colleagues, into his service.

Social Democracy thus prepared the way ideologically for Fascism: first, by the abandonment or corruption of Marxism; second, by the denial of internationalism and attaching of the workers to the service of " their own " imperialist State; third by the war on Communism and the proletarian revolution; fourth, by the distortion of " Socialism " or the use of vaguely " socialist " phrases (" the new social order," the " commonwealth," " industry as a public service," etc.) to cover monopolist capitalism; fifth, by the advocacy of class-collaboration and the unification of the working-class organisations with the capitalist State. All this provides the ideological basis and groundwork of Fascism, which represents the final stage of the policy of the complete absorption of the working class, bound hand and foot, into capitalism and the capitalist State. This whole propaganda and line of Social Democracy confused weakened and battered down the class-conscious socialist outlook of those workers who were under its influence, prevented the spread of revolutionary Marxist understanding, fostered semi-Fascist conceptions of nationalism, imperialism and class-collaboration, and thus left the masses an easy prey to Fascism.

3. *How Social Democracy Assists Fascism to Power.*

In the historical examination of the Italian, German and Austrian examples in the previous two chapters we have seen in practice how Social Democracy assists Fascism to power. It is therefore only necessary now to summarise these results of what historical experience has demonstrated.

First, Social Democracy disorganises the proletariat and the proletarian struggle. The Social Democratic and trade union leadership act as an agency of the employers and of the ruling class within the working-class ranks, preaching defeatism and opposition to struggle, and, where the outbreak of working-class struggle becomes inevitable, directly disrupting the struggle from within.

This is most clearly seen in the role of Social Democracy in strikes. A conspicuous example of this process, in view of the subsequent revelations, was afforded by the great munitions strike in Germany in January 1918, which nearly brought Germany out of the war and into unity with the Russian Revolution. The Social Democratic leaders, Ebert, Braun and Scheidemann, by decision of their Executive, took over the direction of the strike, even calling on the workers to disobey mobilisation orders. Yet their object in coming on the strike committee, as declared by them many years later, was to strangle the strike. In 1924 Ebert brought a libel suit against the charge of treason for having led the strike of January 1918. In this trial he made known that the Executive had passed a secret resolution instructing them to take over the leadership of the strike in order to bring it to an end. Ebert stated in court (*Times*, December 11, 1924):

> The Socialists had been requested to take control of the strike in order to avoid the worst. Herr Ledebour had told the strikers that the strike would be lost if the Majority Socialists came on to the Strike Committee, and at this point he (Herr Ebert) had joined it in order to restore the balance. . . . He declared that he had entered the Strike Committee to bring the strike to an end as soon as possible.

Scheidemann stated in the same trial (*Times*, December 13, 1924):

> The strike broke out without our knowledge. We joined the Strike Committee with the firm intention of putting a speedy end to the strike by negotiating with the Government. There was a

great deal of opposition to us in the Strike Committees: we were known as " the strike stranglers."

Exactly the same process was conducted by the Labour Party and Trades Union Congress General Council leadership in the British General Strike of 1926, which was only called, according to MacDonald (*Socialist Review*, June 1926), because " if no general strike had been declared industry would have been almost as much paralysed by unauthorised strikes." J. H. Thomas explained subsequently in the capitalist journal *Answers*, that, although opposed to the strike, he " did not resign because I felt certain that I could do far more good by staying in than by going out." The object of the leadership, he explained to the House of Commons on May 13, 1926, was to prevent the struggle " getting out of the hands of those who would be able to exercise some control." The Conservative Home Secretary, Joynson-Hicks, analysing the causes of the defeat of the General Strike, put forward as the main cause that " the responsible trade-union leaders retained their hold upon the trade unions, and took the constitutional course of admitting the general strike was illegal and called it off " (Joynson-Hicks, letter to the Twickenham Conservative Association, August 14, 1926).

The same process was demonstrated in Italy over the occupation of the factories, where the reformist leadership achieved what all the Government forces had to confess themselves unable to achieve—the restoration of the factories to capitalism.

But this direct strike-breaking (examples of which on a greater or lesser scale are familiar every year and almost every month to the workers in every country) is only the plainest and simplest expression of a universal process of disorganisation and disruption of the working-class front, preaching of confidence in capitalism, close alliances with the class enemy, and war on the militant workers.

It is only after conspicuous and repeated disruption of the working-class front after this fashion by Social Democracy from within, and consequent weakening and discouragement of the workers, that the way is opened for Fascism to advance.

The betrayal of the General Strike was followed by Mondism—a first step towards Fascism, and welcomed as such by the Italian Fascist Press (it may be noted that Mond openly declared his sympathy for Fascism).

The surrender of the factories in Italy was followed immediately by the Fascist offensive, opening at Bologna and going continuously forward to the establishment of the Fascist State in 1922.

The second Labour Government's assistance to the offensive against the workers was followed by the landslide of the National Government vote of 1931 and the first beginnings of a serious Fascist movement in Britain.

The Social Democratic support of the Brüning dictatorship and hunger-offensive was immediately followed by the sweeping advance of Fascism in Germany.

This is the principal way in which Social Democracy assists the advance of Fascism to power—by disorganising the working-class front, by breaking strikes, by denunciation of the class struggle, by preaching legalism and trust in capitalism, by expulsion of all militant elements and splitting of the trade unions and working-class organisations.

The war on Communism is placed in the forefront by Social Democracy. The German example has shown to what lengths of direct alliance with the militarist and White Guards Social Democracy will go in order to crush the revolutionary workers.* But the slogan of the war on Communism is the slogan of Fascism. Social Democracy and Fascism offer, in effect, rival services to the bourgeoisie for the slaying of Communism.

With the further development of the post-war period Social Democracy helps forward the advance towards Fascism more and more positively by assisting the strengthening of the capitalist mechanism and of the capitalist dictatorship. Social Democracy assists to carry through the economic measures for the strengthening of capitalist monopoly (rationalisation, etc.); it supports all the Brüning and Roosevelt types of intensified capitalist dictatorship, and itself helps to introduce and operate measures of intensified dictatorship. This was signally shown by the second Labour Government of 1929-31, with its Coal Mines Act and London Traffic Bill, its imposition of textile wage cuts by arbitration awards, its arrest and sentencing of hundreds of workers under the Trade Union Act, and its lathi-rule and imprisonment of sixty

* Compare the statement of the first British Labour Prime Minister, MacDonald, over the forged Zinoviev letter in 1924:

"Who is it that has stood against Bolshevism? Liberals have contributed nothing, Tories nothing. . . . All the work has been done by Labour Leaders and Labour Party leaders."

thousand in India. In the same way Severing as Minister of the Interior shot down the workers' May Day demonstrations in Berlin in 1929. Similarly, the Prussian Social Democratic Government actually boasted in its own defence, when removed by von Papen, that it " had caused more deaths on the Left than on the Right ":

> The Prussian Government is in a position with police-statistics to prove that police interference has caused more deaths on the Left than on the Right, and that police measures have caused more wounds on the Left than on the Right.
>
> (Braun-Severing Memorandum to Hindenburg, protesting against deposition: B. Z. am Mittag, July 19, 1932.)

In the final stage, as the Fascist movement advances closer to direct power, Social Democracy gives its final and decisive assistance by opposing and banning the united working-class front against Fascism—the sole means to prevent Fascism coming to power—and concentrating hopes in illusory legal defences, the ballot, " democracy," moderate bourgeois governments and finally even the support of pre-Fascist and near-Fascist dictatorships (Brüning, Dollfuss) as the " lesser evil."

It is the Social Democratic Minister Severing that bans and dissolves the Red Front, while permitting the Storm Troops.

It is Social Democracy that refuses the repeated urgent appeals of Communism for the united front during the critical year of 1932 and the first quarter of 1933.

This line makes inevitable the victory of Fascism.

4. *The Question of the Split in the Working Class.*

The crucial importance of the united working-class fight against Fascism is seen by all to-day, especially after the German example of the disastrous consequences of disruption.

Nevertheless, in spite of the German example, Social Democracy continues to refuse and oppose the united front in all countries. At the same time, alongside this direct refusal of the united front, the cause of the split in the working class is often attempted to be misrepresented by Social Democracy as due to Communism and the Communist International, which are accused of dividing the working-class forces.

It is therefore necessary to give further consideration to this all-important question of the split in the working class and its causes.

The analysis of the split in the working class as due to Communism and the Communist International is both historically and in current practice incorrect.

The split in the working class dates from 1914—before the Communist International existed. It was caused by the dominant official leadership of the Social Democratic Parties abandoning their pledges and obligations before the International, directly contravening the principles on which their parties were built, and passing to unity with capitalism. The split took formal shape when this leadership expelled those deputies who voted against the war credits, in accordance with their international obligations, and the sections who supported them. All this took place already during the war, before the Communist International existed. To argue that the responsibility for the split rests with the revolutionaries is to argue that Liebknecht should have voted the war credits.

The split deepened as the issue of the imperialist war developed into the issue of the working-class revolution or the support of the White Guards in shooting down the workers' revolution. The Mensheviks united with the Tsarists and foreign imperialism to take up arms against the workers' rule; the German Social Democratic leaders armed the counter-revolutionary officers' corps to shoot down the revolutionary workers. The breach of 1914 had widened to civil war, with Social Democracy on the capitalist side of the barricades. An unbridgeable barrier was created—as unbridgeable as the division of the classes. All this process of 1914-19 had already developed, revealing to the full the *fact* of the division of the working class, owing to the existence of an imperialist wing in the working-class camp, before the revolutionary sections finally organised the Communist International in 1919. To regard the Communist International as the cause of the split is to mistake the effect for the cause.

Lenin gave the call for the formation of the Communist International already in the autumn of 1914, only *after* and *because* the majority Social Democratic leadership had destroyed the old Second International, trampled international socialism under foot, and openly united with capitalism. There was no other way to continue the struggle for international socialism.

It is obvious that the responsibility of the split lies wholly with those sections that abandoned the party programme and

united with capitalism, and not with those sections that stood by the party programme and continued to fight capitalism. This responsibility, begun in 1914, carried forward through the civil wars of 1917-21, continues in the issues of to-day. *It is the unity of the Social Democratic leadership with capitalism that inevitably splits the working class and is the cause of the split.* This is the root of the question of the split.

But given this split of the working-class organisations, which can only be finally overcome by the re-union of the mass of the workers (through the experience of the struggle, through ideological controversy, through conviction by their own experience) on the basis of the class struggle against capitalism, that is, finally on the basis of Communism, the immediate urgent question becomes that of the present common fight against the capitalist and Fascist offensive. It is evident that in this situation the need is for all workers and working-class organisations, whatever their political outlook, to combine in a common front for the immediate fight on the maximum possible agreed basis of fight. This is the meaning of the united front, for which the Communist International has consistently striven since 1921.

But it is here that Social Democracy, after causing the original split, perpetuates and deepens the split of the working class by opposing the united front, expelling all sections that support it, and even wrecking the working-class organisations to maintain its domination.

This is shown with conspicuous clearness in the decisively important question of the trade unions. The Communist line is for a single united trade union organisation, embracing all workers, independent of their political views, within which the revolutionary workers conduct propaganda for their viewpoint or proposals, according to the principles of trade union democracy. Social Democracy rejects this viewpoint, and seeks to make membership of a trade union, or active membership (delegate positions, official positions) dependent on holding reformist views, on subscribing to the Labour Party programme, etc. To achieve this purpose the Social Democratic trade union leadership habitually expels, not only individual trade unionists (often outstanding militants with long records in the struggle and elected at the top of the polls by their fellow members) but whole sections and organisations and even majorities, if

these express a revolutionary viewpoint, in order to maintain the domination of Social Democracy.

It is evident that this system of Social Democracy in the unions means the smashing of the unions as the united organisations of the workers. Reference is often made by Social Democrats to the existence of " Red Unions " as evidence of the role of Communism in splitting the trade union movement. But it is not realised by many who hear these charges in good faith that the Red Unions, in the countries with a divided trade union movement, have developed historically as the *consequence* of the Social Democratic policy of expulsions and denial of trade union democracy. The case of the Scottish Mineworkers is the classic example of this process in Britain, where the majority of the members of the union constitutionally elected a new executive and officials with an overwhelming revolutionary majority, but the old reformist executive and officials refused to vacate office, and proceeded to expel one of the two largest districts, the Fife district; after exhausting every constitutional effort for unity, the revolutionary majority were thus compelled to form the United Mineworkers of Scotland. Similarly in France the C.G.T.U. or Unitary Confederation of Labour (revolutionary) only came into existence at the end of 1921 after the revolutionary trade unionists had won a constitutional majority in the old Confederation of Labour, and the old reformist leadership had met this majority by a series of expulsions to convert it into a minority; the Congress constituting the C.G.T.U. was actually attended by a majority (1,564) of the unions belonging to the old C.G.T. The responsibility for the split rests with the reformists.

The aim of Social Democracy in thus splitting the trade unions in order to maintain its domination was stated with extreme clearness by the General Council's spokesman at the Trades Union Congress of 1926, in defending the ban of the General Council on Trades Councils affiliating to the Minority Movement:

> If the Council had agreed to this affiliation, within a short time the Minority Movement would become the majority.
>
> (A. Conley, General Council, at the Bournemouth Trades Union Congress, 1926: *Daily Herald* report, Sept. 8, 1926.)

It was thus to prevent the revolutionary minority becoming the

majority by constitutional means of propaganda and persuasion that the reformist leadership adopted the ruinous policy of wrecking the unions. The lengths to which they were prepared to go in this policy were declared by the President of the Miners' Federation at the Swansea Trades Union Congress in 1928: "Talk about wrecking the movement, I would rather have 50 honest men than 500 imitations; and if we have to disject the movement to the very ground, I am prepared to do it." That is to say, the reformist leadership is prepared "to disject the movement to the very ground," reducing the membership to one-tenth and expelling nine-tenths, rather than accept the verdict of a revolutionary majority. This throws an important light on the Labour or Social Democratic conception of "democracy," the principle of which is often held forward as a reason for opposing the united front. Similarly, the Trades Union Congress delegate to the American Federation of Labour in 1927, Sherwood, of the General and Municipal Workers, speaking at the Los Angeles Convention, said:

> Branches of our organisation in London, over 15,000 strong, refused to comply with the instructions of our General Council. Well, Mr. President, we simply smashed the branches. . . . We had on our General Council two men who represented great areas in our country, but they were going to Minority meetings, and we said, "Sign a declaration or get out." Well, they had to get out.

The illustrations here drawn deliberately from British trade unionism, where the process developed latest and most slowly, could be paralleled in very much stronger form in the other European countries and in the United States. In Germany, in particular, where the revolutionary movement was strongest, the Social Democratic policy of wrecking the unions by wholesale expulsions to maintain control was carried to extreme lengths, and played a large part in the disruption of the working class and opening the way to the victory of Fascism. This is the parallel to the general policy of the refusal of the united front.

There remains the question whether Communism in Germany, as is sometimes urged by critics, over-emphasised the policy of the "united front from below," that is, the appeal to the lower organisations of Social Democracy and the trade unions and to the organised and unorganised workers generally to combine in the single front against Fascism, and only in the

last two years, since April 1932, and more especially since the expulsion of the Braun-Severing Government in July 1932, developed alongside of this the policy of " the united front from above," that is, the direct party-to-party appeal. The criticism of this line is based on a lack of understanding of the conditions. The policy of the united front from above, alongside the united front from below, has never been ruled out in principle by the Communist International, and has been repeatedly applied, when suitable occasion offered; but regard has had to be taken to the conditions in differing periods and situations. When Severing as Social Democratic Minister of the Interior was shooting down the workers' May Day demonstrations in 1929, to have appealed to the Social Democratic Party leadership for a united front against the attack on the workers would have been worse than meaningless. So soon as the expulsion of the Braun-Severing Government by von Papen offered an occasion, the Communist Party immediately made its proposal for a united front directly to the Executives of the Social Democratic Party and of the General Trade Union Federation. The refusal of the united front by these bodies sealed the victory of Fascism.

5. *The Adaptation of Social Democracy to Fascism.*

As capitalism develops to more and more Fascist forms, Social Democracy, which is the shadow of capitalism, necessarily goes through a corresponding process of adaptation. This process of " fascisation " of Social Democracy shows itself in the increasing support of open forms of dictatorship (Brüning, Emergency Powers, Ordinance rule in India), the use of armed violence against the workers, not only in civil war as in the early post-war years, but against unarmed workers in conditions of peace (Berlin in 1929, India under the Second Labour Government), and the increasing suppression of democracy within the working-class organisations.

With the complete victory of the Fascist dictatorship, this process of adaptation does not come to an end, but on the contrary reaches even more extreme forms.

Already since the war a whole series of examples of direct alliance of Social Democracy with White Governments of counter-revolutionary terror against the working class have shown themselves in country after country, and have continued to-day into Fascist forms.

In Hungary under the White Terror Social Democracy entered into a written Treaty of Alliance with the White Government. This Treaty was signed on December 22, 1921, between the Prime Minister, Bethlen, and the Social Democratic Party, affiliated section of the Second International. By the terms of this Treaty it was laid down that

> The Social Democratic Party will consider the general interests of the nation as of equal importance to the interests of the working class.

In respect of foreign policy the Hungarian Social Democratic Party

> will carry on an active propaganda on behalf of Hungary, among the leaders of the foreign Social Democratic Parties, with the foreign governments, etc., and for this purpose will co-operate with the Hungarian Foreign Ministry . . . will adopt the Magyar standpoint . . . before all, in its organ *Nepszava* adopt an impartial attitude and loyally express in this paper the collaboration with bourgeois society.

In respect of home policy the Social Democratic Party will " co-operate with the bourgeois classes in the economic sphere," prevent strikes, conduct " no republican propaganda " and " shall not extend its agitation among the agricultural workers." The Treaty concluded with the pledge:

> The delegates of the Hungarian Social Democratic Party declare that they agree to the wishes expressed by the Prime Minister both with regard to foreign and home policy, and give assurance of fulfilment on their part. They nominate on their part a delegate who maintains contact with the Foreign Ministry.

In return for this Treaty, Social Democracy was to be officially protected by the White Government, while Communism was ruthlessly suppressed. When the terms of this Treaty became known three years later, and a scandal was raised, compelling even a Commission of Enquiry in the Second International (the Commission of Enquiry, under Kautsky in 1925, ended in a complete whitewashing verdict, recognising the "good faith " of the Hungarian Social Democrats, and accepting their assurance that the Treaty would not be continued further), the Hungarian semi-governmental organ, the *Neues Pester Journal* commented in its issue of January 1, 1925:

> The Treaty does not contain anything which every Socialist Party of the world—if we disregard the Third International—would

not have recognised, or at least realised by its practical attitude. . . . The Treaty has been fully observed, and both parties have honestly fulfilled its provisions.

The bourgeois organ is correct. The Bethlen-Social Democratic Treaty is only peculiar in that it sets down in writing the practice of all Labour and Social Democratic Parties, whatever their formal programme. The underlying principles of Fascism and its " Labour Front " are thus in many respects anticipated by Social Democracy.

Bulgaria afforded a further example of the same process. The elections of 1923 had resulted in a vote of 437,000 for the militant Peasants' Party under Stambulisky, 252,000 for the Communist Party, 219,000 for the Bourgeois Bloc, and 40,000 for the Social Democrats. The Stambulisky Government was carrying through a programme of agrarian reforms, the impeachment and trial of the former war-ministers, and other measures unpopular with the reaction. The reactionary parties in June, 1923, carried through a military coup d'etat, engineered by army officers, overthrew the Peasant Party's Government by force and murdered the Prime Minister, Stambulisky. On this basis was set up the White Terror regime of the butcher, Tsankov, under whom, according to the statement of Vandervelde, Chairman of the Second International, 16,000 Bulgarian workers and peasants were murdered in eighteen months (*Humanité*, May 18, 1925). In this Tsankov Government of White Terror the Social Democratic Party, affiliated section of the Second International, was officially represented; its Minister, Kasassov, sat alongside the representatives of the Fascist " Officers' League " and of the bourgeois parties.

In Poland in 1926 the Pilsudski coup d'état, overthrowing parliamentary democracy, and establishing a type of Fascist dictatorship, was carried out with the support of the Polish Socialist Party, section of the Second International; its representative, Moraszevski, sat in Pilsudski's Government.

In Spain the Primo de Rivera Dictatorship gave its protection to the Spanish Socialist Party and the reformist General Union of Labour, while suppressing the revolutionary workers' movement, and even, while throwing the revolutionary leaders into prison, appointed the reformist leader, Caballero, as a Privy Councillor.

In Italy D'Aragona and the reformist leaders of the General Confederation of Labour entered into the service of Mussolini and declared the Confederation dissolved in 1926.

In Austria the Dollfuss dictatorship was built up step by step with the passive support of Social Democracy as the " lesser evil " in relation to the Nazis; in the beginning of 1934 the Social Democratic Party was making a direct offer of alliance to Dollfuss at the same time as the Government offensive was turning on its organisations and Press; and even when the workers finally rose in their heroic struggle, it was against express orders of the Party, which on the very eve of the struggle was sending urgent messages for submission and expressing readiness to Dollfuss to accept an emergency dictatorship and a form of Corporate State.

In Czecho-Slovakia the Social Democratic Party participated in the Coalition Government of all the bourgeois parties, which in 1933 was suppressing the Communist Press and preparing the conditions of intensified dictatorship.

In Japan the following situation was complacently reported in the British Labour organ *Forward* on March 20, 1930, under the title " Labour in Japan," with reference to the elections:

> One's impression is that the proletarian parties have been given a much fairer field than before. It is true that since the last election there have been two great police round-ups of the so-called dangerous thinkers. This might be urged to have had a weakening effect, but the opposite is more probably the case. Those that remain have been given as it were an official cachet. By inference they are certified free from Communism. There is no longer that bogy to frighten away possible supporters.

The " official cachet " to Social Democracy from an extreme reactionary militarist Government, which is savagely suppressing Communism with tens of thousands of arrests, is regarded with high favour by the British Labour organ as a most fortunate advantage. A short time after, in the spring of 1932, the leadership of this Japanese Social Democratic Party, headed by the Secretary, Akamatsu, and half the Executive Committee openly moved over and transformed themselves into an avowedly Fascist " National Socialist Party."

Social Democracy has thus throughout the world shown itself ready to adapt itself and enter into alliance with every counter-revolutionary, White Terrorist and Fascist Government, even

entering directly into such Governments. Where Social Democracy has not been accepted into such open alliance, but has been forced into carrying out its role of disruption of the working class under the form of opposition, this has not been for lack of trying on the part of the Social Democratic leadership, who have invariably exhausted every manœuvre to endeavour to be admitted to the favoured circle under the protection of Fascism.

The signal example of the latter process has been Germany. The significance of the German experience has been dealt with in the previous chapter.

If German Fascism rejected the offers and pleadings of Social Democracy for an open alliance, it was because German Fascism had no confidence in the existence of any form of workers' organisation, however servile the leadership, save under its direct control, because it had no confidence in the power of a permitted Social Democracy to maintain control of the workers, because it was determined to hold all apparatus positions for itself and permit no other forms of organisation. The role of the remnants of Social Democracy thus becomes in practice, under the completed Fascist dictatorship, to continue its disruption of the working-class front in new forms, to carry forward its fight against the united front and against Communism, to confuse the revolutionary struggle with the deceitful aim of Weimar democracy which made possible the victory of Fascism, and to stand ready, in the event of the weakening of the Fascist dictatorship and the advance of the working-class offensive, to come to the rescue of capitalism and save the capitalist State, as in 1918, against the working-class revolution. In this way Social Democracy remains, even under the completed Fascist dictatorship, the main basis of support of the bourgeoisie in the working class.

The collapse of German Social Democracy created a crisis in the Second International. Numbers of workers who had followed its leadership began to have their eyes opened to the realities of the struggle, and to move towards increasing sympathy with Communism and towards the line of the united front. But the effect of the crisis on the leading strata was to hasten the process of "fascisation." The slogan was given out to rally on the basis of "democracy," that is, on the basis of the existing capitalist State. Therefore the line was pro-

claimed to combat still more fiercely the united working-class front, to strengthen the authority of the State, if necessary, in " emergency " forms, to unite with the " moderate " elements of the bourgeoisie, forming left blocs and coalition governments to save the State, and even to support the war-propaganda of the bourgeoisie in the name of " democracy." The Left Cartel policy in France, the toleration of Dollfuss in Austria, the coalition policy in Czecho-Slovakia, the support of Roosevelt by the reformist leadership in Britain and America, illustrated this line. An increasingly influential school developed which openly drew the " lessons " of Fascism as the need to concentrate more on a " national," as opposed to an international, basis, to abandon the conception of the working-class conquest of power and direct the appeal increasingly to the petit-bourgeoisie, and to seek to build a " strong, authoritarian State " in the conditions of crisis. These conceptions were openly expressed by " Neo-Socialism " in France. A variant of a similar tendency was revealed by the Socialist League wing of the Labour Party leadership, which also came forward with proposals for an intensified dictatorship within the capitalist State. It is evident that this whole line of propaganda in practice chimes in with and assists the increasing development of capitalism in all modern states towards fascist forms.

Social Democracy—modern post-1914 Social Democracy—takes its starting-point and origin in the conception of co-operation with capitalism and with the capitalist State. This line is presented as the line of safe and peaceful, harmonious, " democratic " advance towards Socialism, as opposed to the dangers and destruction of the path of violent revolution. The whole experience of 1914-1933 has demonstrated with inescapable clearness that this line leads, not to Socialism, nor to peaceful progress, nor even to the maintenance of democratic forms in the most limited sense, but to unexampled violence against the working class and strengthening of the capitalist dictatorship and, in the final culmination, to the victory of Fascism, of imperialist war and of all the forces of destruction, against which only the proletarian revolution can avail to save the world. This is the lesson of the episode of " Social Democracy " (correctly, Social Imperialism or Social Fascism) in working-class history, an episode which is beginning to draw to its close.

CHAPTER IX

THE THEORY AND PRACTICE OF FASCISM

On a superficial view the theory and practice of Fascism might appear to resemble closely Gibbon's famous definition of the theory and practice of the mediæval Catholic Church—"defending nonsense by violence." But in fact, as there has already been occasion to emphasise, there is a highly rational method in the nonsense, no less than in the violence. Behind the ranting megalomaniacs, bullies, drug-fiends and broken-down bohemians who constitute the outer façade of Fascism, the business heads of finance-capital who pay the costs and pull the strings are perfectly cool, clear and intelligent. And it is with the real system of Fascism in this sense, rather than with the imaginary ideology created to gull the innocent, that we are here concerned. The second, the professed fantastic ideology, is only of importance in relation to the first, the real working system for the maintenance of capitalism in conditions of extreme crisis and weakening.

1. *Is There a "Theory" of Fascism?*

The first illusion that requires to be cleared out of the way is the illusion that there is a "theory" of Fascism, in the same sense that there is a theory of Liberalism, Conservatism, Communism, etc.

Many intellectuals, while "deploring" the "excesses" of Fascism, allow themselves to be fascinated and drawn into elaborate speculative discussion of the "philosophy" of Fascism—and are soon lost in the Serbonian bog of alternating "socialism," capitalism, corporatism, strong-man worship, high moral adjurations and platitudes, anti-alien agitation, appeals to "unity," glorifications of war, torture-gloating, deification of primitive man, denunciations of big business, idolisation of captains of industry, kicking of the dead corpse of the nineteenth century and "liberal-democratic humanitarian superstitions," exhumation of the considerably more putres-

cent corpses of mercantilism, absolutism, inquisitorial methods and caste-conceptions, racial theories of the inferiority of all other human beings save the speaker's own tribe, anti-semitism, Nordicism and all the rest of it.

The innocent may solemnly and painstakingly discuss at face value these miscellaneous " theories " provided to suit all tastes. But in fact their importance is rather as symptoms and by-products of the real system and basis of Fascism than as its origin and raison d'être. The reality of Fascism is the violent attempt of decaying capitalism to defeat the proletarian revolution and forcibly arrest the growing contradictions of its whole development. All the rest is decoration and stage-play, whether conscious or unconscious, to cover and make presentable or attractive this basic reactionary aim, which cannot be openly stated without defeating its purpose.

For this reason the real scientific theory underlying Fascism can better be studied in such a document as the *Deutsche Führerbriefe* or confidential bulletins of the Federation of German Industries, already quoted in the previous chapter (pp. 150–154), rather than in the propaganda statements for public consumption concerning its professed " theories " by the Fascist leaders themselves. The confidential statement of the heads of finance-capital defines plainly and without disguise the objective essence and purpose of Fascism as seen by its actual paymasters and controllers, and is therefore of primary scientific and theoretical importance for the real understanding of Fascism. Such a statement makes plain that Fascism is solely a *tactical method* of finance-capital—in exactly the same way as the support of democratic forms and of Social Democratic Governments was also a tactical method, either being supported with equal readiness according to circumstances—to defeat the proletarian revolution, to divide the exploited population, and so to maintain capitalist rule. All the propaganda " theories," mythological trimmings, supposed " new school of political thought," etc., only constitute a smokescreen to cover this aim.

We have already seen, in the course of the enquiry " what is Fascism? " in the fourth chapter, how empty and meaningless are all the infinite attempted definitions of Fascism by its leading exponents. The more these definitions are examined and analysed, the more they resolve themselves into a string of commonplaces and platitudes by no means peculiar to

Fascism: "the common interest before self" (basis of the German National Socialist Programme); "duty," "heroism," "the conception of the State as an absolute" (Mussolini); "an organic and historical conception of society" (Rocco); "a conception which leans neither to the Right nor to the Left," "the co-operation of all classes," "the co-ordinated development of all national resources for the common good" (Villari); "a high conception of citizenship," "the Modern Movement," "the faith of those who ever since the war have realised that the old system was dead and that a new system must be created," "the system of the next stage of civilisation," "the creed and morality of British manhood" (Mosley); "orderly government, national discipline," "co-ordinated progress," "a creed of Justice and Solidarity," "Social Christianity" (*The Blackshirt*); "a return to statesmanship," "the national observance of duty towards others," "less a policy than a state of mind" (*The Fascist*), etc., etc. These and the like wind-filled phrases revolve without end through all the propagandist explanations of Fascism. There is, it is true, one professedly definite and specific content put forward, namely, the much advertised "Corporate State"; but further analysis in a subsequent section will show that this conception is actually as empty and hollow as the rest.

This vagueness and ambiguity of conventional commonplaces to describe its basic aims is not accidental in Fascism, but inherent and inevitable. This terminology is the standard vague and deceitful terminology of all capitalist parties to cover the realities of class-rule and class-exploitation under empty phrases of "the community," "the national welfare," "the State above classes," etc. It is the familiar terminology of a MacDonald, a Henderson or of Fabianism in the Labour movement to defeat the aims of Socialism and cover servitude to capitalism. It is the familiar terminology of a Baldwin or a Lloyd George, of a Tardieu or a Herriot, of a Hindenburg or a Wels. In the use of these threadbare clichés of capitalist politics to describe its aims Fascism differs not a whit from the other capitalist parties, from Conservatism, Liberalism or Labourism, all of which would readily accept all the formulas quoted above. By this identity Fascism not only reveals its theoretical poverty and emptiness, but also reveals its basic identity of aims with the other capitalist parties. Fascism differs from the other

capitalist parties only in its *particular methods*, in its *practice*, to realise the same basic aims.

There is, in short, despite all the inflated claims and attempts to the contrary, no distinctive " theory " of Fascism in the sense of a distinctive, scientific system of doctrines and world-outlook. There is only a practice: and, to cover this practice, a medley of borrowed plumes of any and every theory, principle or institution which may serve the purpose of the moment, often with the utmost consequent theoretical contradiction (e.g., in racial theories) between one Fascism and another. To mistake the borrowed plumage for the bird means to fail to understand the essence of Fascism. Or, to vary the metaphor, the warning may be addressed to those who seek in all innocence to study the highly " ideal " and " spiritual " explanations of the " theoretical basis " of Fascism, that to mistake the sheep's hide for the wolf means to reveal oneself in truth a sheep and fit prey for the wolf.

Fascism grew up in historical fact as a movement without a theory—that is to say, it grew up in reality as a negative movement (employing mixed national-chauvinist and pseudo-revolutionary slogans) in opposition to the proletarian revolution, and mainly distinguished by the use of violent and extra-legal methods against the proletarian movement. Only later, after over two years of existence, when it became clear that in order to appear fully dressed and equipped as a party and movement, it required to have a " philosophy," in 1921 the Fascist leadership gave orders for a suitable " philosophy " to be created. In August 1921, in preparation for the 1921 Congress, Mussolini wrote:

> Italian Fascism now requires, under pain of death, or, worse, of suicide, to provide itself with a " body of doctrines." . . .
>
> The expression is a rather strong one, but I would desire that within the two months between now and the National Congress the philosophy of Fascism must be created.
>
> (Mussolini, letter to Bianchi, August 27, 1921, reprinted in *Message et Proclami*, Milan, 1929, p. 39.)

" Within two months the philosophy of Fascism must be created." The new " philosophy " is ordered as simply as a waggon-load of blacksticks. The spirit of this is no doubt magnificent in the style of a Selfridge's or Whiteley's emporium, ready to provide anything at a moment's notice, including even

a brand-new " philosophy " if desired. But it is not the spirit of a genuine or serious movement with roots.

In the same way we may note Hitler's explanation that a new " world-theory " was necessary as the sole means to combat the world-theory of Marxism.

> Every attempt to combat a world-theory by means of force comes to grief in the end, so long as the struggle fails to take the form of aggression in favour of a new intellectual conception. It is only when two world-theories are wrestling on equal terms that brute force, persistent and ruthless, can bring about a decision by arms in favour of the side which it supports.
>
> It was on this side that the fight against Marxism had failed up to that time. It was the reason why Bismarck's legislation regarding Socialism failed in the end in spite of everything, and was bound to fail. It lacked the platform of a new world-theory to establish which the fight might have been fought; for only the proverbial wisdom of high State officials could find it possible to imagine that the twaddle about so-called " State authority " or " order and tranquillity " are a sufficient inducement to fight to the death.
>
> In 1914 a contest against Social Democracy was in fact conceivable, but the lack of any practical substitute made it doubtful how long such a contest could have been maintained successfully. In that respect there was a serious blank.
>
> (Hitler, *Mein Kampf*, English translation, pp. 78-9.)

Hitler, or the writer of this passage, is here perfectly correct in placing his finger on the weakness of the fight against Marxism. But his correctness is the correctness of a cunning tactician, not of a world thinker or historical leader. Marxism is strong and invincible because of its world-theory; therefore we must also create a world-theory in order to defeat it: such is the reasoning. Once again only the *negative* approach to Marxism dictates the ideology and the demand for it; Marxism remains the sole positive, dominating force. It is obvious that no world-theory comes into existence in this fashion, but only a *substitute* for a world-theory.

The sensation of a " new ideology " which intoxicates the more fanatical and emotional adherents of Fascism, giving them the illusion of a liberation from old superstitions and a new dynamic power, represents in reality no new ideology distinct from the general ideology of capitalism, but only the typical ideology of the most modern phase of capitalism, that is to say, the sharpened expression of all the tendencies of imperialism or capitalism in decay, in the period of the general crisis. The

contempt for constitutional and legalist forms, the glorification of violence, the denial of all liberal, egalitarian and humanitarian ideas, the demand for the strong and powerful state, the enthronement of war as the highest form of human activity—all these are the typical expressions of modern monopolist capitalism. They are not peculiar to Fascism; they are only expressed with greater brutality by Fascism. In the poems of a Kipling, in the Boer War agitation of a *Daily Mail*, in the war dictatorship of a Lloyd George riding roughshod over constitutional forms and driving to the aim of a "Knock-out Blow," the spirit of Fascism is already present in embryonic forms. And indeed Fascism grew historically out of war agitation, and under the guiding inspiration of the Army authorities, in both Italy and Germany.

There is nothing original or creative in Fascism. Not one single creative idea or achievement can be traced to Fascism. The critique of liberalism and of liberal capitalist democracy, with its hollow contradiction between the formal sovereign "citizenship" and the reality of wage-slavery is borrowed from Marx. But Marx's conclusion, which alone justifies the criticism by pointing the path forward to the stage when the abolition of classes will make the formal citizenship real, is omitted; for in Fascism the hollow contradiction between the formal "citizenship" and the reality of wage-slavery remains, just as in Liberalism, save with heavier coercion and subjection to maintain it.

The pseudo-revolutionary trappings, the sham staged "conquest of power," the new form of government based on a single party running throughout the entire population, is twisted, with servile imitation, from a caricature of the Russian Revolution, turned upside down. But even the caricature cannot be reproduced in the end; for, while the idea of a single party leadership is borrowed (but of an autocratic, not a democratic party), the key of the system, the Soviets or drawing of the masses directly into the work of government through their own elected organs from below, cannot be copied even in caricature; on the contrary, even the previously elected municipal councils have to be abolished and replaced by the arbitrary rule of the nominated Podesta or Prefect, or in Germany by the nominated State Commissary imposed from above and overruling even nominal elected forms.

The theory of economic state regulation of privately owned industry and of class-collaboration in the " Corporate State," that is, of syndicated state-controlled capitalism with a dash of sham " labour representation," is borrowed from the entire modern development of monopolist capitalism in all countries. In particular, these are the typical theories of modern Liberalism and Social Democracy, with their " Organised Capitalism," " National Planning Boards," " National Economic Councils," " Joint Industrial Councils," and all the rest of the apparatus of theories and institutions which have developed continuously and increasingly in the imperialist era, and more especially since the war, before Fascism ever existed. Save for the peculiar coercive methods of Fascism, all the essential formal theories of the " Corporate State " can be found exactly paralleled in the Liberal Yellow Book.

Finally, the national-chauvinist ideology, the anti-semitism and the racial theories are all borrowed, without a single new feature, from the stock in trade of the old Conservative and reactionary parties, as utilised by a Bismarck or Tsar Nicholas, and made familiar in the propaganda of the Pan-Germans or Pan-Slavists.*

* Modern Anti-Semitism developed from Germany and Austria in the eighteen-seventies, that is, as capitalism was beginning to pass from the liberal epoch towards the imperialist epoch. In 1873 appeared Marr's *Der Sieg des Judentums uber das Germantum*, or, *The Victory of Jewry over Germanism*. " It is impossible to doubt," writes Lucien Wolf, former President of the Jewish Historical Society in England, " that the secret springs of the new agitation were more or less directly supplied by Prince Bismarck himself." It is worth noting that a " Christian Social Working Men's Union " (worthy forerunner of the National Socialist Workers' Party) was founded in this period by Stöcker, a Court Chaplain, which preached a programme of so-called " Christian Socialism," in practice Anti-Semitism, dished up with denunciations of financial corruption, and organised street riots and bloodshed. It was with reference to this movement that the elder Liebknecht spoke of Anti-Semitism as the " Socialism of Fools." The Anti-Semite agitation spread from Germany to Russia in the beginning of the 'eighties, again directly inspired and stimulated from above. " The modern Anti-Semitic element " writes Lucien Wolf " came from above. It has been freely charged against the Russian Government that it promoted the riots in 1881 in order to distract attention from the Nihilist propaganda. This seems to be true of General Ignatiev, then Minister of the Interior, and of the secret police." The conscious anti-revolutionary, anti-socialist and officially inspired character of the movement thus stands out in every case. In France, Drumont's *La France Juive* appeared in 1886, and the anti-Dreyfus scandal, promoted by all the high military and bureaucratic authorities with wholesale forgeries, dragged from 1894 to 1906. Only British Capitalism, which in its period of stability could make a Conservative Jew Prime Minister and ennoble Jewish millionaires in abundance, had for long no use for the primitive devices of Anti-Semite demagogy; but to-day the signs begin to spread in Britain in close association with the spread of Fascism. Thus *The Blackshirt* (1933, No. 23)

The whole outlook and ideology of Fascism is in short nothing but a ragbag of borrowings from every source to cover the realities and practice of modern monopolist capitalism in the period of crisis and of extreme class-war. There is not a single creative idea. Capitalism in its time, in its early progressive days achieved a great constructive work, and carried enormously forward the whole of human culture in every field. The French Revolution spread a new life and a new understanding throughout the world, the outcome of which we can to-day be proud to inherit, even though we are to-day able to understand that its bourgeois basis inevitably set a limit to what it could achieve. The Russian Revolution opened a new era on a scale exceeding every previous change in human history, the full extent of which is still only beginning to be realised. But Fascism has produced nothing, and can produce nothing. For Fascism is the expression only of disease and death.

2. *Demagogy as a Science.*

Bolshevism is knocking at our gates. We can't afford to let it in. We have got to organise ourselves against it, and put our shoulders together and hold fast. We must keep America whole and safe and unspoiled. We must keep the worker away from red literature and red ruses; we must see that his mind remains healthy.

(Al Capone.)

The above quotation from Al Capone is a suitable introduction to the anti-Communist ideology of Fascism. The earnestness of this appeal of a thief and gangster to maintain existing society " unspoiled " in face of the Communist menace might appear at first blush comic; but in fact it is purely reasonable. None have more sincere concern and zeal than thieves to maintain the institution of private property, without which their profession would come to an end, and they would find themselves faced with the unpleasant alternative of having to work for their living. On the other hand, they cannot publicly proclaim the principles of thievery and gangsterism as the basis of their stand; for public purposes, they have to pro-

prints on its front page under the heading " Britain for the British: The Alien Menace ":

" The low type of foreign Jew, together with other aliens who are debasing the life of this nation, will be run out of the country in double-quick time under Fascism."

Anti-Semitism, the typical degrading expression of a tottering system, is developed by Capitalism in its decaying stage in proportion as the class struggle grows acute.

claim the most high moral principles, to maintain existing society "unspoiled" and to keep "the mind" of the worker "healthy."

This high moral tone runs through all Fascist propaganda and accompanies their gangster exploits. Nor should this be thought a contradiction; the two characteristics invariably run together in periods of decay. As Plechanov has remarked:

> Marx said very truly that the greater the development of antagonism between the growing forces of production and the extant social order, the more does the ideology of the ruling class become permeated with hypocrisy. In addition, the more effectively life unveils the mendacious character of this ideology, the more does the language used by the dominant class become sublime and virtuous (see *Saint Max*). This shrewd remark is confirmed by what is going on to-day in Germany. The spread of debauchery disclosed by the Harden-Moltke trial proceeds hand in hand with the " revival of idealism " in sociology.
>
> (Plechanov, *Fundamental Problems of Marxism*, English edition, 1929, p. 82.)

The process noted by Plechanov has gone considerably further in Germany and in all capitalist society to-day. The fact that many of the principal leaders of German Fascism are not only notorious drug-fiends and perverts, but express themselves in their writings with highly jocular gusto over their exploits of tortures of women and particularly revolting murders (see for example the *Ernstes und Heiteres aus dem Putschleben* of von Killinger, who was appointed by Hitler Commissar for Saxony and Minister-President), while in their programme they demand the protection of " the morals and sense of decency of the German race," is no contradiction, but only a further exemplification of the general rule.*

* " Von Killinger was made Commissar for Saxony and later Minister-President, and he consequently was in charge of ' Gleichschaltung ' in this State. He had previously written a little book, *Ernstes und Heiteres aus dem Putschleben*, in which he recounts, among other incidents, how in the campaign against the Soviet Government in Munich he had a soldier whip a young ' wench ' with a horsewhip ' until there was not a white spot left on her backside.' He also recounts how, after a Communist street agitator had made an impudent reply to a threat, he had a soldier toss a hand grenade at the man. He recounts with gusto the gory details of the man's death " (Calvin B. Hoover, *Germany Enters the Third Reich*, 1933, p. 113).

Leaders of this type have invariably been given especially high position in German Fascism. Many similar exploits could be recounted of the notorious " Rasses " of Mussolini in Italy, of Finnish Fascism, of Hungarian Fascism, etc. This characteristic is a general characteristic of Fascism, and follows inevitably from the type of work it has to do.

The mystical and openly non-rational character of Fascist ideology and propaganda is only the inevitable expression of its class-role to maintain the domination of a doomed and decaying class. The present situation of world capitalism is in the highest degree irrational. It is not rational that foodstuffs should be destroyed, while millions are undernourished, that building workers should be unemployed, while housing becomes more and more overcrowded and inadequate; that the masses should have to economise and go short, because there is too much plenty; or that learned economists should discuss anxiously the "menace" of a good harvest or the "hopes" of a bad harvest. But all this is inherent in the present stage of capitalism. Therefore capitalism can no longer defend itself on rational grounds, as it used to do in its early days, when it argued that its system, though cruel, meant the maximum development of natural resources and the maximum material well-being. To-day such arguments are dismissed as low, materialistic, utilitarian, merely rational arguments unworthy of higher human nature, characteristic of the exploded nineteenth-century outlook and long replaced by twentieth-century "spirituality" and the "revival of idealism." To-day capitalism defends itself on mystical grounds. "Race," "the nation," "Christianity," "spirituality," "the mystery of patriotism," "faith"—this is the language of the modern defenders of capitalism, and, in particular, of Fascism.

Thus Mussolini, in defining Fascism, speaks with contempt of "doctrine" and exalts "faith":

> Doctrine, beautifully defined and carefully elucidated, with headlines and paragraphs, might be lacking; but there was to take its place something more decisive—faith.
>
> (Mussolini, *The Political and Social Doctrine of Fascism*, p. 10.)

Gentile, the philosopher of Fascism, defines the Fascist State as "a wholly spiritual creation." Hitler defines the State as "nothing to do with any definite economic conception or economic development," but

> the organisation of a community homogeneous in nature and feeling, for the better furtherance and maintenance of their type and the fulfilment of the destiny marked out for them by Providence.
>
> (Hitler, *Mein Kampf*, English edition, p. 69.)

The British Union of Fascists, in its short definition of Fascism, declares:

We believe in the co-operation of all classes, in the solidarity of all units of a nation, and in justice. And in the mystery of patriotism. (*The Blackshirt*, No. 34, 1933.)

Bottomley in his wartime speeches and articles had many similar exalted passages.

This type of "ideal" "spiritual" language is the familiar language of all scoundrels, rogues, war-profiteers, gangsters, Kreugers, Al Capones, Morgans, MacDonalds, Mussolinis, Hitlers, Romanoffs and all who live by preying on their fellow human beings and cannot face a plain, rational, materialist examination of their role and of the organisation of society.

On this exaltation of mystical "feeling" above reason—whether national "feeling," religious "feeling," racial "feeling," etc.—as the ultimate basis, Hegel (himself philosophically an idealist, but of a more solid type, and therefore by his system laying the groundwork for the subsequent dialectical materialism), wrote with incisive contempt in his *Phenomenology of Mind*:

By referring to his feelings, his inward oracle, he thinks he has a sufficient answer to those who do not agree with him; he must declare that he has nothing more to say to those who do not share the same feelings—in other words, he tramples under foot the roots of humanity. For the nature of this is to seek agreement with others, and it exists only in the community of consciousness that has been brought about. The inhuman, the brute consists in being guided only by feeling and being able to communicate only through feelings.

"He tramples under foot the roots of humanity"—this pregnant saying applies to all the racial, mystical, non-rational, anti-humanitarian, anti-international ideologies of Fascism. And the result in every case is the same—to lead only to "the inhuman, the brute."

The truth is, the propaganda of Fascism is essentially demagogy carried to its most extreme point of development. It might indeed be said that, if Marxism represented the development of Socialism from Utopia to science, Fascism represents the development of capitalist demagogy from amateurdom to science. Already before Fascism the precursors of the modern age, Northcliffe, Lloyd George, Bottomley, Hearst and others had done much to point the way and lay down the general lines and methods; but these were still erratic and individualist in character, and never solved completely the complicated and contradictory problem of building up a reactionary mass move-

ment, at once " popular " in form and anti-popular in content. Hitler expresses generously his gratitude to his predecessors, especially Northcliffe, Lloyd George and British wartime propaganda, which he acknowledges as his model that he learnt from, admiring its " psychological superiority "; he admires particularly the idea of pretending to fight for " the freedom of little nations " as a far superior motive to " lead men to their death " rather than telling them the real aims of the war; he praises Lloyd George highly as a " great demagogue," whose " primitiveness " is " proof of towering political capacity." But in fact Fascism was to leave these models far behind in its systematisation of playing on every backward feeling, instinct and ignorance in the population, in the unscrupulousness of its programmes thrown out to appeal to any and every section without pretence of regard for consistency, and in the brazenness of its sudden changes of front and repudiation of its own programmes.

What is demagogy? The ruling classes will apply the epithet " demagogue " to every revolutionary leader of the masses who awakens them to the struggle to overthrow their oppressors, as realised at its highest in a Lenin or a Liebknecht. Such appellation is a glaring misuse of language; for the relation of the revolutionary leader to the masses is based on the strictest regard for objective truth, whether popular or unpopular, and the most consistent and unwavering prosecution of the interests of the mass struggle for liberation against all opposition, however powerful. Demagogy, on the other hand, is the art of playing on the hopes and the fears, the emotions and the ignorance of the poor and the suffering *for the benefit of the rich and the powerful.* It is the meanest of the arts. This is the art of Fascism.

An examination of the programmes of Italian and of German Fascism will show the systematisation of this method, which is being painstakingly copied to-day by British Fascism.

It is unnecessary to go into the earlier record of Mussolini himself, as when in 1910 he declared that " the proletariat has no fatherland, nor in truth has the bourgeoisie; in case of war we Socialists will not go to the front—we will raise insurrection within our own borders," or when in 1912 he denounced Bissolati for treason in having acclaimed the King whose servitor he was himself to become. This is only the common

record of all the corrupt Western European Social Democratic politicians, of the Millerands and Briands, of the MacDonalds and Snowdens. It is more important to begin with the early programme of Italian Fascism in 1919-22 before power.

The early programme of Italian Fascism was, in the words of an official spokesman of Fascism, Professor G. Volpe (Professor of Modern History in the University of Milan), in the *Yearbook of the International Centre of Fascist Studies* for 1928, " a nebulous programme at first . . . somewhat demagogic and revolutionary." It contained items of the following type:

Abolition of the Monarchy, Senate and Nobility.

Republic, and Universal Suffrage to elect a Constituent Assembly as Italian Section of the International Constituent Assembly of the Peoples.

International Disarmament and Abolition of Compulsory Military Service.

Confiscation of Church property.

Confiscation of war super-profits, and capital levy; abolition of the Stock Exchange and dissolution of limited liability Companies and banks;

Land for the peasants.

Transference of control of industry to syndicates of technicians and workers.

Italian Fascism systematically applauded the occupation of factories by workers, food-riots, strikes, peasant land-seizures, etc. and called for the hanging of speculators from lamp-posts and similar measures.

It is only necessary to examine this programme of Fascism in comparison with its record in power to understand the meaning of demagogy. In comparison with Fascism, the average " old gang politician's " record of election promises and subsequent violation is innocent child's play and almost honest by contrast. Political history in all its range from a Machiavelli to a Tammany Hall knows no parallel of brazen dishonesty to equal Fascism.*

* The examples of this record in every field are too abundant and commonplace to be worth detailed review. Thus on the question of Republicanism Mussolini wrote in the *Popolo d'Italia* on May 24, 1921:

" I shall not allow Fascism to be altered and made unrecognisable by changing from republican in tendency, as I founded it, and as it ought to remain, to a monarchical, nay more, a dynastic movement. Our symbol is not the scutcheon of the House of Savoy. . . . It is not permissible to preach one thing and practise another."

On the very next day, when the controlling capitalist and landed elements in

The programme of German National Socialism surpassed that of Italian Fascism in unblushing demagogy. Here, in the more advanced stage of development of Germany, it was necessary for Fascism to proclaim the aim of "Socialism." The Krupps and the Thyssens, the Deterdings and the Hohenzollerns paid out their money to spread the propaganda of "Socialism." The Twenty-Five Points Programme, adopted in 1920, and proclaimed by the 1926 Congress to be "unalterable," set out the following aims among its miscellaneous medley of items:

Abolition of Unearned Income (11).
Breaking of Interest-Slavery (11).
Confiscation of all war profits (12).
Nationalisation of all trusts (13).
Profit-sharing in large concerns (14).
Confiscation without compensation of land for communal purposes (17).
Death penalty for usurers and profiteers (17).

The meaning of these high-sounding "revolutionary" and "socialistic" aims was left deliberately obscure. It is reported that two earnest students and devotees of National Socialism having approached Goebbels for an explanation how the famous Eleventh Point on the "Breaking of Interest-Slavery" would be accomplished received the reply that the only "breaking" likely to take place would be of the heads of those who tried to understand it.

"Interpretation" was, however, at a later stage brought into play in reference to one point, the Seventeenth Point on the confiscation of land without compensation. This demand had

Fascism insisted on the withdrawal of this republican declaration, Mussolini at once obediently wrote (*Popolo d'Italia*, May 25, 1921):

"Fascism is superior to monarchy and republic. . . . The future is uncertain, and the absolute does not exist. . . . Those who would draw the conclusion that Fascism espouses the republican cause, and regards the setting up of the republic as a prime necessity, reveal a lamentable want of understanding."

On the question of religion Mussolini wrote on April 3, 1921:

"Fascism is the strongest of all heresies that strike at the doors of the churches. . . . Away with these temples that are doomed to destruction; for our triumphant heresy is destined to illumine all hearts and brains."

In his Encyclopædia article on Fascism in 1932 he wrote:

"In the Fascist State religion is considered as one of the deepest manifestations of the spirit of man, thus it is not only respected, but defended and protected."

These examples could be continued indefinitely, and are only of importance as the demonstration that Fascism cannot be interpreted in terms of its own alleged political "theories," but only in terms of its service to finance-capital.

evidently caused alarm to the more stupid large landlords, who required an assurance in writing, while the more wily heads of big business and finance remained wholly unperturbed at the terrible Sword of Damocles hanging over their heads in the shape of the " Nationalisation of All Trusts," " Abolition of Unearned Income " and the " Death Penalty for Profiteers." Accordingly, the following explanatory addition was officially inserted in the " unalterable " programme in 1928:

It is necessary to reply to the false interpretation on the part of our opponents on Point 17 of the programme.

Since the National Socialist German Workers' Party admits the principle of private property, it is obvious that the expression " confiscation without compensation " merely refers to possible legal powers to confiscate, if necessary, land illegally acquired or not administered in accordance with national welfare. It is directed in the first instance at the Jewish companies which speculate in land.

This specimen exercise in official " interpretation " speaks volumes for the real character of the whole programme.

At the same time, occasional assurances had in fact also to be given to some of the more hesitating capitalists. An official letter of this type from the district party leadership in Dresden to a Weimar capitalist, who had hesitated to give financial support owing to the " anti-capitalist " propaganda conducted, and to whom it was officially explained that he should not be alarmed at the anti-capitalist " catchwords," since these were only adopted " for reasons of diplomacy," fell into the hands of the opponents of the Nazis in 1930 and was published. The text of this indiscreet letter ran:

Do not let yourself be continually confused by the text of our posters. . . . Of course there are catchwords like " Down with Capitalism! " etc.; but these are unquestionably necessary, for under the flag of " German national," or " national " alone, you must know, we should never reach our goal, we should have no future. We must talk the language of the embittered socialist workmen . . . or else they wouldn't feel at home with us. We don't come out with a direct programme for reasons of diplomacy.

(Letter of Dresden party leader to the industrialist, Fritsche, in Weimar: reprinted in Mowrer, *Germany Puts the Clock Back*, p. 150.)

This illuminating letter makes further comment on the real meaning of Fascist " demagogy " and its purpose superfluous

3. *Capitalism, Socialism and the Corporate State.*

Fascism differs from Socialism chiefly in this—that in the Corporate State you will be left in possession of your business.

(" Fascism Calling . . . to the Industrialists and Business Men," *The Fascist Week*, January 19-25, 1934.)

Fascism endeavours to present itself as a third alternative distinct from either Capitalism or Socialism. To the workers Fascism insists that it does not stand for Capitalism. To the employers Fascism insists that it does not stand for Socialism. For its supposed distinct positive conception it remains extremely vague. Only after several years of existence Italian Fascism worked out the formula of the " Corporate State " to cover its aim. German Fascism worked out the formula of " National Socialism." Both these formulas are intended to represent the supposed " third alternative " to Capitalism or Socialism.

This supposed " third alternative "—the will o' the wisp dream of petit-bourgeois ideology ever since the development of Capitalism and the class struggle—remains a myth and can never be other than a myth. It is in fact nothing but a repetition of the old petit-bourgeois dream of a class-society without class-contradictions or class-struggle, but this time used to cover in reality the most violently coercive class-state and class-suppression. The " Corporate State " is in fact the transparent masquerade-dress of modern Capitalism, with developed state organisation of industry, and complete suppression of all independent workers' organisation and rights.

Economically, there can only be Capitalism or Socialism in the conditions of modern society based on large-scale industry. What is Capitalism? Capitalism is marked by (1) production for profit, (2) class ownership of the means of production, (3) employment of the dispossessed workers or proletariat for wages. What is Socialism? Socialism is marked by (1) common ownership of the means of production by the workers, constituting the entire society, (2) production for use. The current fashionable vulgar talk of all bourgeois journalists and politicians about " the disappearance nowadays of the line of distinction between Capitalism and Socialism " is only based on the confusion that Capitalism is identified with the old liberal laisser-faire relatively small-scale Capitalism or individualism of the nineteenth century, while Socialism is identified with

State intervention. Hence the most typical characteristics of modern Capitalism or Imperialism, with the increasing role of the State in its organisation, are described as "Socialism," while the realities of wage-labour, profits and class-division are unchanged and even intensified. This muddle-headed confusion, which is common to all capitalist, Labourist and Fascist ideology, and is the breeding-ground for all the demagogic attempts of Fascism to conceal its capitalist character, becomes impossible as soon as the class-analysis of Capitalism is understood.

Fascism by all the above tests is economically identical with Capitalism, representing only a special method to maintain its power and hold down the workers. Fascism is profit-making society, is class-society, is society based on exploitation. Alike in Italy and in Germany, production is carried on for profit; the means of production are the property of a small minority, the upper strata of whom draw large incomes through their ownership; the mass of the workers are cut off from ownership, and work for a wage, producing surplus-value for the owners, or are left unemployed, if it is not profitable to employ them. All these are the familiar characteristics of capitalism in all countries, as are equally the crisis, depression, decline of production and mass unemployment. The Fascist countries show no difference from the other capitalist countries in any of these respects. Fascist Italy and Fascist Germany are no better off than non-Fascist France and non-Fascist Britain (in fact worse off, but for reasons not necessarily connected with Fascism); they are all economically in the same boat, in the capitalist boat. The only contrast is provided by the land of socialist construction, the Soviet Union, with its ending of unemployment and gigantic rise of production alongside the decline in all Fascist or other capitalist countries.

It is necessary at the outset to insist on these very elementary facts, before examining more closely the specific economic institutions of Fascism, because Fascist propaganda, which is characterised by brazenness of assertion rather than any attempt at objective or scientific character, is so insistent on denying the capitalist basis of Fascism that it may easily confuse those who mistake words for facts. As this plea is at the heart of the economic apologies for Fascism, it will be necessary to examine more closely, first, the Fascist line of expression on

Capitalism; second, the Fascist line of expression on "Socialism," as exemplified in "National Socialism"; and finally, the positive economic principles and practice of Fascism, as exemplified in the Corporate State or in the German Labour Code.

The Fascist line of expression on Capitalism is marked by extreme self-contradiction. According to Hitler, there is no such thing as the "capitalist system." He writes:

> There does not exist a capitalist system. The employers have worked their way up to the top by their industry and efficiency. And by virtue of this selection, which shows that they belong to a higher type, they have the right to lead. Every leader of industry will forbid any interference by a factory council.

According to Mussolini, however, in his speech to the Council of Corporations on November 14, 1933, the present crisis is "a general crisis of capitalism." He defines Capitalism as follows:

> Capitalism in its most highly developed form is a mass production for mass consumption, financed nationally and internationally by anonymous capital.

Having thus brilliantly "defined" Capitalism in terms of "capital" (he is compelled to tie himself up in this way, for if he were to attempt to analyse capital, he would be compelled to lay bare the capitalist basis of Fascism), he proceeds to distinguish three periods of capitalism, the period of free competition from 1830 to 1870, the "static" or "stagnating" period of the great trusts from 1870 to 1913, and the period of "decadence" since the war (here we have only a very confused and mangled borrowing from Lenin's *Imperialism*). He then poses the question:

> The crisis which has held us in its clutches for four years—is it a crisis *in* the capitalist system or *of* the capitalist system?

And he reaches the answer that the crisis which has held "us" (Fascist Italy) in its clutches for four years is "a crisis of the capitalist system" (which Hitler says does not exist). But having reached this important admission, he then endeavours to argue that Italy is "not a capitalist country." Upon what does he base this argument? On the plea that in Italy there is a majority proportion of agriculture and small industry (as if this made any difference to the dominance of the capitalist class

and of capitalist exploitation, which knows very well how to suck the labours, not only of the industrial workers, but also of the peasants and small producers). But if this structure makes Italy " not capitalist," this structure applied equally to Italy before Fascism, and Italy was accordingly "not capitalist" also before Fascism. But if Italy was " not capitalist " before Fascism, what was it? Again he can give no answer which would not undermine his whole attempt to present Fascist Italy as any different in its essential capitalist basis from pre-Fascist Italy. Finally he argues that, since the corporate system has admittedly failed to save Italy from the crisis of capitalism " which has held us in its clutches for four years," therefore the corporate system may be recommended to other capitalist countries to save them equally:

> We come to the last question: Can the corporative principle be applied in other countries? There is no doubt about it. As there is a general crisis of capitalism, solution by the Corporate State seems to be necessary in other countries.

However, in that case he would need to show that " solution by the Corporate State " has applied to Italy, which has suffered as heavily from the capitalist crisis as any other capitalist country. But when the crisis broke on Italy in 1929-30, what was his line? Did he argue that " solution by the Corporate State " would save Italy? On the contrary, he argued that Fascist Italy was helpless to do any more about the crisis than any other capitalist country. In his speech of October 1, 1930, he declared:

> The situation has grown considerably worse throughout the world, including Italy. . . . The State cannot perform miracles. Not even Mr. Hoover, the most powerful man in the world in the richest country in the world, has succeeded in putting his house in order.

" The State " (i.e., the Fascist State) " cannot perform miracles." It cannot hope to do more than other capitalist countries. Quite right, and very honestly said for once. But in that case what happens to the boasted superiority of Fascism and the supposed emancipation of Fascism from capitalism and its contradictions?

It is evident that we have here a mere tangle of confusions and self-contradictions (which could be endlessly further

exemplified from the statements of all the principal Fascist leaders in all countries), without attempt at serious thinking. Let us now turn to the Fascist line on " Socialism." According to Mussolini, in his speech on January 13, 1934, " Socialism " is condemned outright as " the bureaucratisation of economy." According to German Fascism, " Socialism " is the ideal, provided it is " National Socialism." But what do they mean by " Socialism "? The definitions given by the leaders of German Fascism afford an instructive variety of choice.

The thirteenth point of the official party programme calls for " the nationalisation of all trusts." However, the official economic theorist of the party, Feder, explains in his Manifesto on the suppression of interest-slavery:

> Every honest politician knows that general socialisation means economic collapse and the absolute bankruptcy of the State. Our watchword must be, not " socialisation," but desocialisation."

Goebbels in his *Little A.B.C. of the National Socialists*, states:

> The Socialisation of all the means of production is absolutely unachievable.

Addressing a group of business men at Hamburg on December 15, 1933, Feder won their applause by declaring that "the State must not engage in business itself as a competitor," and adding, " Don't be afraid your enterprises will be nationalised."

Where then is the " Socialism "? Explanations are forthcoming in abundance. Gregor Strasser, speaking on the radio on behalf of the party on June 14, 1932, gave the following comprehensive definition:

> By socialism we understand governmental measures for the protection of the individual or the group against any sort of exploitation. The taking over of the railways by the State, of the street-cars, power plants and gas works by the municipalities; the emancipation of the peasants by Baron von Stein, and the incorporation of the guild system into the State; the Prussian officers' system of selection by achievement; the incorruptibility of the German official; the old walls, the town hall, the cathedral of the free Imperial city—these are all expressions of German Socialism as we conceive and demand it.

" Socialism," after passing gently through the stages of gas-and-water Fabianism and an admixture of " guilds," thus comes to

rest at last in the solid ground of " the old walls," " the cathedral " and " the Prussian officers' system."

Goebbels is still more explicit in his brochure *Prussia Must Become Prussian Again*:

Socialism is Prussianism (Preussentum). The conception " Prussianism " is identical with what we mean by Socialism.

And again in a speech in East Prussia:

Our Socialism is that which animated the kings of Prussia, and which reflected itself in the march-step of the Prussian Grenadier regiments: a socialism of duty.

It is impossible not to recall Marx's comments on " German Socialism " (despite all the differences) nearly a century ago:

German Socialism recognised its own calling as the bombastic representative of the petit-bourgeois Philistine.

It proclaimed the German nation to be the model nation, and the German petit-bourgeois Philistine to be the typical man. To every typical meanness of this model man it gave a hidden, higher, " socialist " interpretation, the exact contrary of its real character. It went to the length of directly opposing the " brutally destructive " tendency of Communism, and of proclaiming its supreme and impartial contempt of all class struggles.

But this old " German Socialism," which Marx thus castigated, was by comparison the noblest-hearted idealism if set against the conscious and open filth of their " German Socialist " descendants of the twentieth century, the bootlickers of reaction and murderers of the workers, dressing up the hated Prussian, militarist, absolutist corpse as " Socialism."

It is obvious that the Fascist conceptions on " Socialism " are even less worthy of serious discussion than their conceptions on " Capitalism." It remains to consider their supposed " new " and " distinctive " programme: the Corporate State " the greatest constructive conception yet devised by the mind of man " (Mosley).

What is the Corporate State?

The basic official document of principles, the Italian Labour Charter, published in 1927, lays down the following (§7):

The Corporate State considers that in the sphere of production private initiative is the most effective and valuable instrument in the interests of the nation.

Since private enterprise is a function of national concern, the

organiser of the enterprise is responsible to the State for the management of its production. From the fact that the elements of production (labour and capital) are co-operators in a common enterprise, reciprocal rights and duties devolve upon them. The employee, whether labourer, clerk or skilled workman, is an active collaborator in the economic enterprise, responsibility for the direction of which rests with the employer.

These principles are tolerably familiar in all capitalist countries.

The standard semi-official work on the question, Fausto Pitigliani's "The Italian Corporative State" (P. S. King, 1933, written "in close contact with the Ministry of Corporations") declares:

The idea of the sovereignty of the State and of national unity is the primary motive underlying the Fascist theory of government. . . .

Parallel to this unifying principle . . . there is to be noted another concept implicit in the State system which Fascism desires to build up, namely, the economic collaboration of the various categories engaged in production.

This new economic departure may be said to lie somewhere between Liberalism . . . and Communism. . . .

The different categories of producers are represented officially by various Occupational Associations. . . . These Occupational Associations, consisting solely of employers or of workers or of persons belonging to one or other of the liberal professions, are grouped in Corporations for purposes of protection and development of some specific branch of production. These advisory bodies are organs of State, and they embody all the elements involved in a given branch of production, namely, capital, labour and technical direction. It is precisely from the character of these institutions—so distinctive a feature of the new political and economic order in Italy—that the epithet of "corporative" is derived, which serves to differentiate the Fascist State in its particular characteristics from other State types.

Paul Einzig in his pro-Fascist "Economic Foundations of Fascism" (1933) describes the Corporate State as "a new economic system that differs fundamentally from Liberal Capitalism and Communism":

In the Corporate State private property is respected just as in any capitalist country. There is no expropriation without compensation. The State reserves the right, however, to limit and guide the employment of the means of production, and to intervene in the process of

distribution in accordance with public interest. It does not aim at owning the means of production any more than in a capitalist country. Private ownership is the rule, and State ownership the exception. Individual initiative is not superseded by State intervention. But the Government reserves the right to supplement individual initiative whenever this is considered necessary; to prevent it from developing in directions detrimental to public interest, and to guide it so as to obtain the maximum benefit for the community as a whole.

Mosley in his *Fascism in Britain* describes the Corporate State as follows:

Our policy is the establishment of the Corporate State. As the name implies, this means a State organised like the human body. Every member of that body acts in harmony with the purpose of the whole under the guidance and driving brain of the Fascist Government. This does not mean that industry will be conducted or interfered with from Whitehall, as in Socialist organisation. But it does mean that the limits within which interests may operate will be laid down by Government, and that those limits will be the welfare of the nation as a whole. To that interest of the nation as a whole, all lesser interests are subordinate, whether of Right or of Left, whether they be employers' federation, trade union, banking or professional interests. All such interests are woven into the permanently functioning machinery of Corporate Government. Within the Corporate structure interests such as trade unions and employers' federations will no longer be the general staffs of opposing armies, but the joint directors of national enterprise. Class-war will give place to national co-operation. All who pursue a sectional and anti-national policy will be opposed by the might of the organised State. Profit can be made provided that the activity enriches the nation as well as the individual. Profit may not be made at the expense of the nation and of the working class. The Corporate State will secure that the nation, and the workers who are part of the nation will share fully in the benefits and rewards of industry.

The Corporations, it should be noted, are " advisory " bodies (Pitigliani). Control rests with the private employer in his enterprise, and with the State above him, as in all capitalist countries. The Corporations are joint-committees of employers' representatives and so-called " workers' representatives " (after the destruction of all independent workers' organisation). Only the " workers' organisations " recognised by the Fascist State, not those chosen by the workers, are admitted, the only

legal requirement being that they should represent one-tenth of the workers in an industry to secure sole recognition as representing all the workers in the industry. The functions of the Corporations (Article 44 of the Decree of July 1, 1926) are: (1) conciliation; (ii) encouragement of measures " to co-ordinate production and improve its organisation "; (iii) establishment of labour exchanges; (iv) regulation of training and apprenticeship.

The purely nominal stage-dressing character of the Corporations is shown by the fact that up to 1933, eleven years after the establishment of the Fascist regime, not a single Corporation had yet been established, except for the amusement " industry " (in 1930).

> The work will be done directly by the Minister of Corporations, and hence these largely nominal bodies will be not merely " organs of the State," as the theory demands, but really mere additional powers for present politicians. As a result, not a single corporation has been formally created.
>
> (H. W. Schneider, *Making the Fascist State*, 1928.)

In 1933 Pitigliani, in his semi-official work already quoted, in the fourth chapter on " Corporative Organisation," coming to his third section under the grandiose title " The Corporations in their Actual Working," is compelled to write under that title (like the famous chapter on Snakes in Iceland):

> It is impossible to judge in the light of any practical results how the system is actually working in the corporative field properly so-called. Reference has already been made to the fact that only a single corporation, viz., that of the stage, has so far been established in Italy.

In November 1933, the Milan correspondent of the *Times* wrote (November 28, 1933):

> Much is heard of the Corporative State. The Ministry of Corporations was created, and there are the National Council of Corporations, the Corporative Central Committee, and so on; but so far, the Corporations, that is, the organs which must apply the principle on which the whole reform is based, have not appeared.

Only in May, 1934, when this criticism of the absence of any actual Corporations had begun to become widespread, a decision was hastily announced, at a meeting of the " Central Corporative Committee " convened under Mussolini on May 9,

1934, to "create twenty-two Corporations" at a single stroke (*Times*, May 10, 1934).

What, then, does the Corporate State, as so far described in the terms of its own advocates, actually represent? Its principles, according to these descriptions, amount in fact to the following::

1. Maintenance of the class-structure of society, and of class-exploitation, under cover of phrases about "organic unity," etc.;*
2. Maintenance of capitalist ownership, "private enterprise," "profits," etc.;
3. Moderate State intervention or regulatory role, where necessary;
4. Compulsory conciliation committees or joint industrial councils of capital and labour.

But so far this is identical with the principles of all modern capitalist states. The cool effrontery of attempting to present this as something "new" is only based on the naive trick of

* The transparent deception, which is at the root of the "Corporate State," of maintaining class-division in fact and denying it *in words*, is strikingly expressed by Rossoni, writing as President of the National Confederation of Fascist Syndicates on "The Significance of Fascist Syndicalism" in the *Yearbook of Fascist Studies*, 1928:

"The conception of Fascist Syndicalism changes the outlook of all those engaged in industry, and takes from Socialism all that it has of value. Even the old terminology of 'masters' and 'men' is changing. The word 'master' has an offensive meaning and implies the servitude of labour, a servitude which is in direct contradiction to modern progress. The Italian scheme of Corporations brings about a much-needed co-operation between the directors and the executors of an undertaking, and is the only present-day conception which entails equilibrium and economic justice.

"It should be emphasised that it was these very Fascist organisers who were the first to insist that the old expressions 'masters' and 'men' should be abolished, and this because master supposes servant. Nowadays we are no longer able to concur with the old absurd idea of class-distinctions, nor do we hold that there is by nature any moral inferiority between men. On the contrary, it is fully recognised that all men have the same right to citizenship in the national life."

It will be seen that the "absurd idea of class-distinctions" is regarded as solely a question of "*terminology*." Hence, while Socialism aims at overcoming the class-division of society by the abolition of classes and thus achieving for the first time real social unity, Fascism proposes a *verbal* liquidation of classes, while the reality remains. Employers and wage-earners remain; the whole system of profits and exploitation remains; but these are to be covered by the new terms "directors" and "executors" of an undertaking (or in the German Labour Code, "leaders" and "followers"), and thereafter it is assumed that the class struggle should end. This is typical of the "idealist" outlook of Fascism—or, to speak more frankly, of its humbug.

making the comparison with the long-ago defunct, pre-imperialist, " laisser-faire," capitalist epoch. Ever since the imperialist epoch all modern capitalism has developed increasing state regulation and control, co-ordination and cartellisation under state guidance, and a hundred thousand experiments and devices in joint industrial councils and every other possible mechanism for the collaboration of capital and labour. As for the conception of industry as a " public service," and the approval of profit-making only in so far as it is consistent with " national welfare," it really does not need a Fascist " revolution " in order to be able to repeat the wisdom of a Callisthenes. The practical meaning of the Fascist " revolution " and its " Corporate State " lies elsewhere, as we shall shortly see.

Take, for example, pre-Fascist Germany, where the State already held in its hands one-tenth of industrial production, held the dominating shares in the big banks, in shipping and in the Steel Trust, and where industry and capital-labour relations were covered by a network of regulating councils. C. B. Hoover writes in his book already quoted:

> Cartellisation had been carried to further limits than in any other country. In 1932 there were some 3,000 of these cartels. In the coal and potassium mining industry syndication was compulsory, and complicated regulating councils known as the Federal Coal Council and the Federal Potassium Council had been set up. Upon these Councils the operators, labourers, consumers and coal merchants were represented. There was a Federal Economic Council, but its regulatory functions had failed to develop.

This Federal Coal Council, based on compulsory syndication, representing employers, workers, consumers and coal merchants, with wide regulatory powers, was already a very much more developed " Corporation " than anything produced by Fascism. But this was only an advanced example of the tendency of modern capitalist development throughout the world. Here Fascism brings nothing new.

" The idea of a National Council," writes Mosley in his *Greater Britain*, with the complacency of an infant peacock, " was, I believe, first advanced in my speech on resignation from the Labour Government in May 1930. The idea has since been developed by Sir Arthur Salter and other writers." The history of Capitalism since the war is littered with " the idea of a National Council " (i.e., National Economic Council

or National Council of Industry) in every country. Clemenceau in 1918 proposed the formation of a National Economic Council, and the proposal only broke down on the opposition of the Confederation of Labour. Rathenau in his new proposals for state organisation put in the centre the formation of a representative State Economic Council. Millerand in 1920 proposed the incorporation of a National Economic Council, including representatives of the trade unions, in the state. Caillaux made the same proposal in his *Où va la France, où va l'Europe?* The National Industrial Conference in Britain in 1919 put forward similar proposals for the establishment of a permanent representative National Industrial Council.

The whole trend of post-war Liberalism, Labourism and Social Democracy, in particular, is closely parallel to the Fascist line and propaganda of the Corporate State—i.e., the general line of combination of state control and private enterprise, co-ordination through a network of regulating councils, class-collaboration and so-called workers' representation, in short, the whole myth of " Organised Capitalism." The great part of the Liberal Yellow Book, of *Labour and the Nation* and of the Fascist Labour Charter could be interchanged without noticeable difference.

Nevertheless, there is a " new " and distinct feature in the Fascist Corporate State. All the Liberal-Labour proposals are based on the incorporation of the existing workers' organisations into the capitalist state, with the maintenance of the formal independent rights of organisation and the right to strike. The Fascist policy of the Corporate State is based on the violent *destruction of the workers' independent organisations* and the complete *abolition of the right to strike.* This is the *sole new feature* of the Fascist Corporate State, to which modern Capitalism elsewhere has not yet dared to advance, although developing in this direction as rapidly as it is able.

The Italian Law of Syndicates of April 3, 1926, the basis of the Corporate State, lays down in Article 18:

> Employees and labourers who in groups of three or more cease work by agreement, or who work in such a manner as to disturb its continuity or regularity, in order to compel the employers to change the existing contracts, are punishable by a fine of from 100 to 1,000 lire.
>
> The chiefs, promoters and organisers of the crimes mentioned

above are punishable by imprisonment for not less than one year, nor more than two years, in addition to the fines prescribed above.

Here is the real heart of the Fascist Corporate State; all the rest is window-dressing. The meaning of this is expressed with simple delight by the financial publicist, Einzig, in his *Economic Foundations of Fascism* (a book written for the business public):

Strikes and lock-outs were outlawed from the very outset of the Fascist regime (p. 11.).

In no country was it so easy as in Italy to obtain the consent of employees to a reduction in wages (p. 31).

Thanks to the establishment of industrial peace, wages in Italy are more elastic than in any other country (p. 73).

"*In no country was it so easy to obtain a reduction in wages.*" Here is the essence of the Corporate State. Similarly Augusto Turati, Secretary-General of the Fascist Party, wrote in 1928:

The year 1927 was one of widespread economic depression. . . . It was necessary for the Government of the Fascist Party to take steps with the object of bringing about a general reduction of wages from 10 to 20 per cent. . . . It was then that the Labour Charter showed itself to be the one secure point of reference in the negotiations which followed.

In the ungrateful task of reducing wages, not one of the principles, solemnly enunciated in the Labour Charter, was violated.

(A. Turati, Secretary-General of the Fascist Party, on "The Labour Charter," in the *International Yearbook of Fascist Studies*, 1928.)

And the prominent Fascist trade union official, Olivetti, declared at the Fascist Trades Union Congress in 1928:

It was an illusion to presume that the existence of class-war had been finally abolished. It has been abolished . . . for the workers. On the other side, class-war is being continued.

The German Labour Code, brought into force on May 1, 1934, reveals the same picture. Its essence is the wiping out of all the collective contracts which have hitherto regulated German industry, and the establishment of the absolute power of the employer, called "the leader of the factory," over his workers, called "followers."

In the factory the employer, as the leader of the factory, and the workers and clerical employees as his followers, work jointly to further the aims of the factory in the joint interests of the people and of the

State. The decision of the leader of the factory is binding on his followers in all factory matters.

In place of the previous elected works councils, the new factory councils are to be appointed by the employer in agreement with the Nazi leader in the factory, and to meet only when called by the employer. All collective agreements for industries or trades as a whole, or even for districts, are annulled; wages are to be fixed separately by each firm according to the conditions of "profitableness." The last word rests with the "Labour Trustees" or district dictators on all questions of wages and labour conditions, appointed by the Nazi Government. The character of these "Labour Trustees" can be judged from the fact that the big industrialist, Krupp, has been appointed "Labour Trustee" for the Ruhr area.

The destruction of all independent workers' organisation, the complete slave-subjection of the workers to the employers, the abolition of the right to strike, and intensified exploitation—this is the sole and entire reality of the Corporate State for the working class.

4. *The Outcome of Fascism in the Economic Sphere.*

Fortunately the Italian people is not yet accustomed to eat several times a day. Its standard of living is so low that it feels scarcity and suffering less.

(Mussolini, speech to the Italian Senate on December 18, 1930, *Corriera della Sera*, December 19, 1930.)

The principal reasoned claim put forward by Fascism on its own behalf, on the rare occasions when it descends from emotional chauvinist and spiritual verbiage to endeavour to make a reasoned claim, is that Fascism provides a solution of the economic crisis of modern capitalist society and ensures economic harmony, prosperity and progress. Fascism in its propaganda promises the solution of unemployment, rising production and consumption, higher wages, higher profits, and in general the end of all the contradictions of capitalism without ending capitalism.

The decisive test of this claim is the test of facts—the facts of the economic situation in every country where Fascism rules, and above all in Italy, the land of the "Corporate State," where the Fascist regime has had twelve years to show its results.

That the world crisis of capitalism has hit Italy as hard as any

other capitalist country, with colossal unemployment, falling production and trade, and lowered wages, so that Fascism has brought no immunity whatever from the common ills of capitalism, even the official apologists of Fascism are compelled to admit. But in fact the economic crisis hit Italy *before* the world crisis, while the rest of the capitalist world was enjoying a boom, and then became further intensified by the world crisis. The pro-Fascist Einzig writes in his *Economic Foundations of Fascism*:

> Between 1926 and 1930 the depression prevailing in Italy presented a discouraging contrast with the prosperity of most other countries. But that prosperity has since been proved to be fictitious, so that we are now in a position to say that Italy has missed little by failing to share it. Moreover, during her period of depression Italy became hardened to face the subsequent crisis.

If this is the best that a supporter of Fascism on economic grounds can claim, it is scarcely an advertisement. The only " consolation " for the failure of Italy under Fascism to share in even the limited upward movement of other capitalist countries between 1926 and 1930 is found in the fact that in consequence even the world crisis could hardly make things much worse than they were already in Italy.

According to the League of Nations *World Economic Survey* 1932-3, the national income in Italy fell from 94 billion lire in 1928 to 60-70 billion lire in 1931, or a drop of one-third. In the same period in the Soviet Union, according to the same authority, the total income rose from 18.6 billion gold roubles to 31.2 billions, or an increase by two-thirds. Foreign trade in 1932 was less than half the volume of 1930; and the tonnage of goods cleared at the ports in 1932 was actually less than in 1913, when the population was six millions fewer. Italy keeps no general index of production; but the production of pig iron which was 603,000 tons in 1913, was 461,000 tons in 1932. The production of steel was raised to 2.1 million tons in 1929, but fell to 1.4 millions in 1932. 1933 saw a slight upward movement as in other countries, but foreign trade continued to fall from 15.1 million lire in 1932 to 13.3 million in 1933. The Budget deficit rose from 504 million lire in 1930-31 to 3,687 millions in 1932-3. The floating debt rose from 1,618 million lire in June 1928, to 8,912 millions in June 1933.

Bankruptcies in 1931 reached the record in Europe, exceeding 21,000, or five times the British total.

The unemployment record is still more revealing. The total of industrial and commercial wage-earners was returned in 1933 at 4,283,000, or about one-quarter of the British total. Yet the official return of wholly unemployed for 1933, monthly average, stood at 1,018,000, and in January 1934, the latest return available at the time of writing, stood at 1,158,000 in addition to about a quarter of a million returned as partially or seasonally unemployed. As for unemployment insurance, "the amount of unemployment insurance is moderate, even for the low standard of living prevailing, and it is paid only for a short period" (Einzig, *Economic Foundations of Fascism*). For forty weeks' contributions only three months' benefit is paid, at a maximum of 3.75 lire or 11d. a day; there is no transitional benefit. In December 1931, of 982,321 registered unemployed, only 195,454 were receiving benefit. Between 1919 and 1929 the Unemployment Fund received 1,275 million lire in contributions from the employers and workers, the State contributing nothing, and paid out only 413 millions in benefits the State constantly raiding the Fund for its own purposes. Truly a halcyon state of affairs from the capitalist point of view, at which even the skinflints of the National Government might look with despairing envy. It may be noted that the social services expenditure in Italy is among the lowest of any leading country in Europe, amounting to 3 per cent. of the total national budget, as against 7 per cent. in Belgium or 9 per cent. in Britain.

The wage-cutting record gives the final stamp on the realities of Fascist economics. Between 1929 and 1932 the total pay-roll of wages and salaries fell from 6,040 million lire to 4,100 millions (*World Economic Survey 1932-3*). In the same period, according to a Report of the Director of the International Labour Office in June 1933, "the purchasing-power of the wage-earners fell by 19 per cent." Cuts had been heavy already before the world crisis:

> Between June 1927 and December 1928, wages fell by about 20 per cent. as a result of agreements between masters and men in connection with the stabilisation of the lira. A further drop of approximately 10 per cent. took place in 1929, and in November 1930 there was a general downward movement, in some cases not

exceeding 18 per cent., but in particular instances involving as much as 25 per cent. Moreover we must not overlook the fact that many other adjustments were made in 1931.

(Biagi, Secretary of the National Confederation of Fascist Syndicates, *Corriera della Sera*, March 26, 1932.)

This makes successive cuts, first of 20 per cent., then of 10 per cent., then of 18-25 per cent., in addition to "many other adjustments." The Department of Overseas Trade Report on *Economic Conditions in Italy* 1933, states:

While the cost of living with an index figure of 93.78 in 1927 has fallen in 1932 to 78.05, a difference of 15.73 per cent., industrial wages have been reduced by much larger proportions. . . .

Cuts have been made ranging from 16 to 18 per cent. in the sheltered printing and woodworking trades, 25 per cent. in the metal and chemical industries, to 40 per cent. in the cotton industry. . . .

To the above must be added arbitrary reductions affected by various means without negotiation, such as the re-grading of work-staff and the systematic reduction of piece-work rates.

Examples are given of the percentage cuts in the various industries:

Chemicals ...	20-25%	Silk Weaving	38%
Rayon ...	20%	Jute	30%
Rayon (Turin)	38%	Metal trades	23%
Glass	30-40%	Building ...	30%
Cotton ...	40%	Mining ...	30%
Wool	27%		

This process has been carried still further with the extensive all-round wages and salaries cuts proclaimed by Government Order in April, 1934. The importance of the Fascist "Corporate" system, making strikes a penal offence, is obvious.

If we turn to Germany, it is clear that one year's experience is not yet sufficient to achieve the imposing completeness of the Italian results in depressing the conditions of the workers and spreading poverty; but the signs of the direction are already abundant.

Foreign trade in 1933 fell by 13 per cent. in comparison with 1932, exports by 16 per cent. and the export surplus by 40 per cent. The volume of production rose by 12 per cent.; but this rise was mainly in industries (iron and steel, dyes and chemicals, artificial silk, electro-technical, motors) connected with war

needs, and was actually accompanied, as will be seen, by a fall in the general standard of living. The rise in output was not accompanied by any rise in the total pay-roll until the third quarter. "This means that fresh employment was only found at the expense of those already occupied, by cutting down their hours of work and reducing their wages accordingly" (*Economist*, December 30, 1933).

Retail sales, the measure of internal trade and of the standard of living, fell heavily, even compared with the low level of 1932:

> Retail sales of the first ten months of 1933 were 8 per cent. below those of the very depressed corresponding period of 1932, department store sales declining 20 per cent. on a like comparison, and later reports indicate substantial further decline.
>
> (New York *Annalist*, January 19, 1934.)

This reflects a lowered standard of life. The German Institute for Economic Research reported a decline of 10 per cent. in the consumption of the principal foodstuffs during the first and second quarters of 1933, in some articles of even 30 per cent., and "stabilisation" at this lower level in the third quarter. For the whole of 1933 it reported a decline of 7 per cent. in the turnover of retail commodities, compared with 1932. Prices rose steadily, especially of foodstuffs, through special legislation, e.g., the Fat Monopoly and raising of the price of margarine by 175 per cent., the raising of the price of wheat to 182 marks per ton or four times the world price, etc.

Nazi propaganda tries to make much of the rise in the volume of production by 12 per cent. during 1933, and of the decline in the official figure of registered unemployed by 2 millions on the previous 6 millions (actually by 1.7 millions from 5,773,000 in December 1932, to 4,058,000 in December 1933). Both claims are misleading. The rise in production was, as explained in great part connected with the war industries. It was not a rise peculiar to Germany, but was part of a world movement during the same period. Between January and December, 1933, the German index of industrial production (on the basis of 1928 as 100) rose from 62.9 to 72.8, the United States index from 58.6 to 67.6, the French from 78.7 to 83.5, the Japanese from 117.2 to 139.4 (November), the Canadian from 52.8 to 72.2, the Swedish from 83.7 to 97.1 (League of Nations Monthly Bulletin of Statistics, March 1934).

The figures of the alleged decline in unemployment are still more misleading. The official figure is given of a decline in the registered unemployed from 6,014,000 in January 1933, to 3,715,000 in November 1933, and to 2,798,000 in March, 1934. But the total of employed workers in November 1933, according to the health insurance statistics, was 14,020,000, making with the 3,715,000 registered unemployed a combined total of 17,735,000 workers. In August 1929, that is, before the crisis, the same combined total of employed and unemployed workers numbered 20,400,000. Thus 2.3 million workers have dropped clean out of the German official statistics, being neither entered as employed, nor as unemployed—alongside an increase in population! " The actual number of unemployed is admitted to be considerably larger than the number registered. The 'invisible unemployed' are now reckoned at about 1,500,000 " (*Manchester Guardian Weekly*, January 12, 1934). " Most signs tend to show that the volume of unrecorded unemployment has increased " (*Economist*, March 3, 1934).

This contradiction was strikingly brought out when in March, 1934, the official figure for unemployment was returned at 2,798,000, and in the very same month Hitler, momentarily forgetful of the official figure, in his speech at Munich on March 21, spoke of the necessity during the coming year to endeavour to bring into employment 5,000,000 of those at present unemployed.

The official decline in registered unemployed in fact reflects a series of factors. Married women have been driven out of industry without being registered as unemployed, consequent on the Nazi law forbidding the employment of married women where their husbands are employed, and thus disappear from the official records. The same applies to the prisoners in concentration camps, and to the Jewish and political refugees. Several hundreds of thousands of workers (estimated at 680,000—*Basel Rundschau*, November 18, 1933), have been drafted into the militarised labour camps, agricultural service and other works schemes, and are thus counted as " employed," but in fact receive no normal wage, but either only food and a few marks a week or a very low subsistence allowance equivalent to unemployment relief. Finally throughout industry, by a series of devices

offering inducements for this process to employers, workers have been given part-time work by spreading existing work, with reduced hours and weekly wages, that is, at the expense of other workers, and of a general lowering of standards. On the whole process the British financial journal, *The Statist,* comments, with reference to Hitler's anniversary speech to the Reichstag:

> As regard economic affairs he had not very much to say, perhaps because there is not much to report. He claimed, as the figures show, a reduction in unemployment of 2½ millions to about 3.7 millions. But this is obviously not a reliable guide to the trend of industrial conditions, since, apart from labour immobilisation in labour camps and concentration camps, the effect of the tax certificate system has been to spread employment out over the work available rather than to succeed in creating new work. There has, however, been some improvement in production, particularly in iron and steel, in 1933 as compared with 1932, and doubtless this has meant some real decrease in unemployment. The improvement in employment is therefore only partly due to a net increase in the demand for labour, and it arises mainly from spreading out employment. This may be a good thing psychologically, but economically it results in lower wages and even in lower real wages. In addition to this lowering of the standard of living, there must be counted the numerous "voluntary" contributions which have to be deducted from the weekly wages. It is possible as a result that the beneficial political effect of spreading employment may be lost in the lowering of the standard of living, and probably for this reason Herr Hitler did not devote much of his speech to economic affairs.
>
> (*Statist*, February 3, 1934.)

This process of effective wage-reduction and lowering of the standard of living, already revealed in the statistics of falling consumption during 1933, is further borne out by the available information on the movement of wages. The official statistics claim that the total of wages plus salaries for the third quarter of 1933 exceeded the corresponding total for 1932 by 4 per cent., alongside an increase in the number employed by 7 per cent.; it is obvious that even these figures, which do not take into account the heavily increased deductions from wages, nevertheless betray a net reduction in the wage per worker. It may be noted that the total return from the tax on wages, which reached 65 million marks for the monthly average in 1932, fell to 61.3 millions in July 1933, and 59.6 millions in August 1933—the very period of the supposed "increase"

(*Jahrbücher für Nationalokonomie und Statistik*, December 1933).

A correspondent in the *Manchester Guardian* reports:

Wages fell considerably in Germany in 1932, and there was a further fall last year. At present the average hourly wage is about 20 per cent. lower than in 1931.

The fall in wages has been accompanied by a great increase in the deductions for income tax, unemployment insurance, sickness insurance, etc., which have more than doubled. In 1932 these deductions amounted to between 12 and 13 per cent. of the wages. They now amount to nearly 27 per cent., including " voluntary " contributions . . . which are voluntary only in name.

According to calculations made by a very competent statistician, the net average wage of workmen employed in German industry last September was 21.65 marks a week. . . . If agricultural workers were included, the average net wage would be much lower.

The " real wages " (purchasing power) of the German industrial workers have fallen since April rather more than the money wages, as general prices, which in the first four months of last year were lower than the average of 1932, have risen about 3 per cent. since April, and prices of primary necessities have risen about 10 per cent. The average real wage in September 1933, was about 31 per cent. lower than in 1900.—(*Manchester Guardian Weekly*, January 12, 1934.)

On April 9 Dr. Ley, head of the " Labour Front," declared in a speech at Cologne that the German worker " to some extent was being paid starvation wages in the interest of the reconstruction of the nation," but that he must, while the State " was finding bread and work for 7,000,000 unemployed, renounce wage increases and such like things."—(*Times*, April 10, 1934.)

This is already before the Labour Code, with its abrogation of all existing collective contracts, came into force on May 1, 1934.

It is sufficiently clear that the economic process of Fascism in Germany goes the same path as in Italy, the path of the extreme depression of the standards of the workers and intensification of exploitation. The lesson of facts in Italy and Germany should put all on their guard against the empty economic promises and programmes of Fascism before power in Britain and other countries.

5. *Fascism and War.*

Fascism believes neither in the possibility nor the utility of perpetual peace. . . . War alone brings up to its highest tension all

human energy and puts the stamp of nobility upon the peoples who have the courage to meet it.

(Mussolini, " *The Political and Social Doctrine of Fascism.*")

In eternal warfare mankind has become great—in eternal peace mankind would be ruined."—(Hitler, *Mein Kampf*, p. 149.)

The chauvinistic warlike character of Fascism is its most obvious external characteristic. The war-role of Fascism can, however, only be correctly understood in relation to its general social role as the expression of the extreme stage of imperialism in break-up.

On the question of Fascism and war very much nonsense has been written.

On the one hand, bourgeois critics of Fascism in Western Europe and America express their shocked indignation as if Fascist Germany and Fascist Italy were the first and only countries to go in for jingoism, wholesale war-incitement and war-preparation, and as if England, France and the United States were innocent angels of peace.

On the other hand, supporters of Fascism in these countries endeavour to accept at face-value the transparently hypocritical " peace speeches " occasionally turned out by the Fascist leaders for foreign consumption, in open and glaring contradiction to their main utterances, and seek to soothe an alarmed public with fanciful reassurances, as if Fascism were really a doctrine of world peace.

Both these lines of treatment are an absurd flying in the face of facts.

Because Fascism is the leading expression of modern imperialism, of capitalism in decay, of the most violent policies of capitalism in crisis, therefore necessarily Fascism means war. Fascism, with its violent suppression of all socialist, pacifist and internationalist agitation, with its militarisation of labour and centralised dictatorship, as well as with its ceaseless sabre-rattling agitation, is a direct part of capitalist war preparation. Its methods and policies reproduce *the conditions of a country at war*, as seen in all the belligerent countries in the last war, but *already in the pre-war period*. In the same way the final outcome of all the policies of Fascism, of all its chauvinist, nationally exclusive, aggressive and domination-seeking policies, can only be war, as indeed its leaders in all

their principal and most authoritative utterances to their own followers openly declare.

But these tendencies are not peculiar to Fascism. They are common, in greater or less degree, to all imperialist states. They only receive their most extreme expression in Fascism.

Fascism in Britain, where there is no such immediate easy basis for war agitation as Versailles provided in Germany and also in Italy, and where mass anti-war feeling is strong, endeavours to hide for the moment the war-role of Fascism and even to put on a pacifist dress and present Fascism as a doctrine of world peace. Thus Mosley writes:

> Fascist organisation is the method of world peace among nations bound together by the universal Fascism of the twentieth century. (Mosley, *Fascism in Britain*, p. 7.)

This blatant attempt to throw dust in the eyes of the credulous is exposed by the entire propaganda of Fascism. Mosley, who professes to proclaim the aim of " world peace " through Fascism, will need to fight it out with his masters, Mussolini and Hitler, who denounce in round terms the whole conception of world peace as incompatible with Fascism. " Fascism," proclaims Mussolini, " believes neither in the possibility nor the utility of perpetual peace." " In eternal peace," proclaims Hitler, " mankind would be ruined." " Fascism issued from war," writes the Fascist, Carli, " and in war it must find its outlet." This is the dominant voice of Fascism. The temporary pretence of British Fascism to put on a peace advocate's dress is only a typical example of Fascist demagogy.

International Fascism is a contradiction in terms. The foreign policies of Fascist states can only be the foreign policies of extreme aggressive imperialist states, with all the consequent antagonisms heightened to the most extreme point. The identity of counter-revolutionary policy produces no identity of foreign policy. This is strikingly illustrated, as soon as the first three fully completed Fascist states, Germany, Italy and Austria have come into existence, by the extreme tension immediately following, even to the point of veiled war-threats, between Fascist Germany and Fascist Italy over the body of Fascist Austria. The conception of a Bloc of Fascist States on the basis of a common policy of Fascism is a myth; an alliance between such States can only be formed where an identity of

immediate aims of the foreign policy of the imperialist groupings concerned would have in any case made an alliance possible, whatever the political form. But if the Fascist type became generalised for all the leading imperialist Powers, this would only mean an immediate accentuation of the antagonisms and hastening of the advance to war.

The extreme tensity of war-preparations and inculcation of the war spirit in Fascist Germany and Fascist Italy has been equally noted by observers of all political colours. For the evidence of the developments in Germany, especially, reference may be made to Wickham Steed's *Hitler: Whence and Whither?*, to the American journalist Leland Stowe's *Nazi Germany Means War*, and to Ernst Henri's *Hitler Over Europe*.

This does not mean that Fascist Germany, any more than Fascist Italy, aims at immediate war. To this extent, and no further, the peace speeches are sincere, in so far as they are calculated to gain time and cover the necessary process of re-armament. Unless the situation is precipitated by unexpected events, a preliminary period is sought for the necessary heavy war-preparations, as well as for the diplomatic preparation of a favourable situation. The present balance of power is unfavourable to Germany, and the position of Italy is also weak. But there is no question of the goal to which policy is being directed. As Hitler's *Mein Kampf* and Mussolini's speeches make abundantly clear, the full aims of the Fascist programme of territorial and colonial expansion can only be finally achieved by war.

England, France and the United States, whose statesmen and publicists indulge in expressions of shocked surprise at the militarism of Fascist Germany or of Japan, are in fact far more heavily armed than Germany, Italy or Japan, spend more on armaments, and have bigger records of plunder and armed violence all over the world. But the difference in the present situation of these two sets of Powers (which partly accounts also for the more rapid development of Fascist forms in the latter group) lies in the fact that England and France (the position of the United States, owing to its special continental situation, is in a category by itself and shares characteristics with both groups) are relatively " sated " imperialist groups, gorged with world-plunder and seeking above all to hold what they have, therefore strongly interested in questions of

" security," while Germany, Italy and Japan are " hungry " imperialist Powers, without an equivalent share in the partition of the world proportionate to their strength or potential strength, and therefore intent on an aggressive policy of expansion. This is the working of the law of unequal capitalist development which underlay the last war and drives to the next.

What, however, is conspicuous in the present international situation is the relative complacency and even conciliatory attitude with which England, the United States, and even to some extent France, treat the question of the re-armament of Germany. Where before the slightest diffident requests of Weimar Germany were met with angry refusals and threats of sanctions, the open violation of Versailles and blustering demands for re-armament by Fascist Germany are met with anxiously polite and sympathetic consideration. The only question becomes, not whether re-armament shall be agreed, but how far and to what point re-armament shall be agreed. The " Disarmament " Conference dissolves into negotiations for re-armament. At the same time the simultaneous anxiety of the Western Powers, lest German re-armament go too far, reveals the profoundly contradictory character of the present situation of imperialism.

What underlies this change of attitude on the part of the Western Powers, which might at first sight seem contrary to the interests of British and French Imperialism, and which indeed arouses criticism from strong sections of opinion within these? Two dominating factors can be traced.

The first is the recognition of Fascism as the bulwark against social revolution, and the anxiety not to weaken in any way the position of Fascism and thereby open the way to the fall of the Hitler Government and to the proletarian revolution in Germany. This fear, as a study of the French semi-official Press makes clear, paralyses the French desire to make use of the threat of sanctions or of a " preventive war " in order to strangle the re-emergence of the full armed strength of Germany. As Lloyd George frankly declared in his speech on September 22, 1933:

> If the powers succeeded in overthrowing Nazism in Germany, what would follow? Not a Conservative, Socialist or Liberal regime, but extreme Communism. Surely that could not be their objective. A Communist Germany would be infinitely more formid-

able than a Communist Russia. The Germans would know how to run their Communism effectively. That was why every Communist in the world from Russia to America was praying that the Western nations should bully Germany into a Communist revolution. He would entreat the Government to proceed cautiously.

(*Times*, September 23, 1933.)

The National Government needed no such entreaties, but has acted throughout as the broker for Fascist Germany.

The second factor is the widespread hope of imperialist circles, especially in Britain, to use a re-armed Fascist Germany, in unity with Japan, for war on the Soviet Union. The objective of an expansionist war to the East, directed against the Soviet Union, and with the support, if possible, of Britain, France and Poland, is continuously expressed in all official statements of Nazi foreign policy, notably in Hitler's *Mein Kampf*, in the writings of Rosenberg, the official chief of the Nazi foreign political department, whose line is fully and openly set out in his book *The Future Path of a German Foreign Policy* (*Der Zukunftsweg einer Deutschen Aussenpolitik*), and also in the formally withdrawn Hugenberg memorandum.

Hitler writes:

For Germany the only possibility for the carrying out of a sound territorial policy lay in the winning of new land in Europe itself. . . . When one would have territory and land in Europe, this could in general only happen at the cost of Russia.

(*Mein Kampf*, pp. 153-4.)

We stop the eternal march to the south and west of Europe and turn our eyes towards the land in the East. . . . If we speak of land in Europe to-day we can only think in the first instance of Russia, and her border States.—(*Mein Kampf*, p. 743.)

The American publicist, Calvin Hoover, reports the following as his impression of the prevailing tendencies in the event of a possible agreement between Western Europe and Fascist Germany:

In such a case the Western European Powers might be glad to allow Germany a free hand in the Slavic East and South for the satisfaction of any further expansionist aims. . . .

There is evidence that the idea of the " reorganisation and restoration of Russia " under German tutelage is again very much to the fore.

(Hoover, *Germany Enters the Third Reich*, pp. 226-7.)

British imperialism above all encourages up to the present with moral and material support both Germany and Japan, and influential circles hope for a combined attack of both Powers on the Soviet Union. At the same time German-Japanese relations are drawn extremely close.

It is unnecessary here to discuss the powerful resistance which such an attempt would meet, not only from the Soviet Union, but from the whole international working class, leading to the unloosing of revolutionary struggle and civil war above all in Germany itself. Just this prospect leads the imperialist and Fascist forces still to hesitate.

The final direction of Fascist war still lies in the womb of events. What is already manifest is that the advance of Fascism has enormously accelerated the advance to war on every side.

6. *Fascism and the Women's Question.*

In no direction does the contrast of the two worlds of Fascism, or Capitalism in extreme decay, and of Communism express itself more clearly and sharply than in the status of women.

The position of women has often been referred to as one of the surest measures of the level of a civilisation. By this measure Communism stands out as the first fully-developed civilisation in history, where for the first time men and women participate with full equality, while Fascism is revealed in its most undisguised reactionary character.

The subjection of women has always been inseparably bound up with class-society, and is one of the indispensable foundations without which private-property society could not maintain itself. Capitalism has taken over from the preceding period and adapted to its own purposes the social institutions built on the subjection of women. While revolutionising and organising production and trade on a gigantic scale throughout the world, it maintained, preserved and even intensified in a still more limited and narrow form the primitive and anarchic basis of the small-scale individual household, of the family and its ties, and sought to make of this pre-capitalist institution its most powerful conservative pillar of support. Only on this basis could capitalism, with its complete individualist cash-nexus repudiation of all social obligations and ties, nevertheless successfully maintain itself, and through the institution

of the family throw off its own shoulders all social responsibility for the proper conditions of motherhood, of the bringing up of children, of the support of the sick and the aged, as well as the enormous volume of so-called " domestic labour "—all socially necessary labour indispensable for the maintenance of society, but offering no profit for capitalism to organise, and thrown off as unpaid labour on to the shoulders of the working-class wives and mothers to be performed in the heaviest, dirtiest, most unproductive and wasteful pre-machine conditions alongside highly organised large-scale machine industry in the world outside. The consequent economic and social institutions, involving the subjection of women and the forcible compulsion of the majority of women to economic dependence on marriage as their sole means of livelihood, are bound up with the existence of private-property society, and can only be ended with communist social organisation.

Nevertheless, capitalism in its progressive phase performed also a progressive role in relation to the position of women by offering for the first time the possibilities and conditions of a new economic form of organisation. Capitalism in its search for ever more and cheaper supplies of labour-power draws increasingly millions of women and young persons into industry, until to-day about one-third of the total labour force in modern capitalist states consists of women and girls. Despite the brutal conditions of exploitation, more heavy than for the male workers (an inequality defended in the name of the sacred " family," on the basis of the illusory theory that the average woman worker is supposed to have no " dependents "), yet this means that millions of women have for the first time the beginnings of possibility of an independent economic existence and active citizenship, in place of the compulsion of dependence on a male earner as their sole possibility of livelihood and existence. Marx discerned at an early stage the significance of this process:

> However terrible and disgusting the dissolution under the capitalist system of the old family ties may appear, nevertheless, modern industry, by assigning as it does an important part in the process of production, outside the domestic sphere, to women, to young persons and to children of both sexes, creates a new economical foundation for a higher form of the family and of the relation between the sexes. (Marx, *Capital*, I., Ch. 15, para. 9.)

The realisation of this possibility of emancipation, for which

capitalism has thus laid the preliminary conditions, depends on the advance to a Communist society: since the drawing of women into industry, so long as the old property conditions and burden of the individual household remain unreplaced by social organisation, only in fact adds to the burden of women instead of liberating them. Only by the full introduction of women into equal partnership in social production, with the consequent necessary equal education and training, and the destruction of the old wasteful unorganised domestic economy inseparably connected with the private property system, can the old position of the economic dependence of women be ended, and their equality and freedom be realised, not only in form, but in living reality. This standpoint was expressed by Engels in his well-known declaration in the *Origin of the Family*:

> The emancipation of women and their equality with men are impossible, and remain so as long as women are excluded from social production and restricted to domestic labour. The emancipation of women becomes feasible only then when women are enabled to take part extensively in social production.

The dependence of the solution of the women's question upon the realisation of a Communist society was constantly emphasised by Lenin:

> The full liberation of woman and her real equality with man requires a communist economy, a common social organisation of production and consumption and the participation of woman in general production. Only through this will woman take the same place in society as man.
>
> (Lenin, Speech to Moscow Conference of Working Women.)

The Soviet Union illustrates the advance towards this position, where for the first time in the world's history the real equality of women is being built up and established among all the peoples in its territory.

But capitalism in the period of the general crisis begins to reverse the engines and move in the opposite direction. It is no longer hunting for new reserves of labour-power to exploit. On the contrary, it can no longer find employment for the existing labour force. Hence the cry begins to be sounded increasingly, always from the beginning voiced by the clerical-reactionary forces, but now increasingly taken up by modern capitalism as a whole, to drive women out of industry and thus assist to "solve" unemployment by increasing the number of

dependants to be maintained on each wage (the process can be observed in England in the operation of the Anomalies Act and of the barbarous Family Means Test).

This cry is taken up in its sharpest and most undisguised form by Fascism, here as in every sphere voicing the most reactionary tendencies of capitalism in extreme decay. Back to the home! Back to economic dependence on marriage as the sole career for women! Cut down women's education! Expel women from employment and give the jobs to men! Back to pots and pans! Produce more cannon-fodder for war! Back to kitchen-slavery! This is the line of Fascism on the women's question.

Hitler writes:

> In the case of female education the main stress should be laid on bodily training, and after that on development of character; and last of all, on intellect. But the one absolute aim of female education must be with a view to the future mother.
>
> (Hitler, *Mein Kampf*, p. 163.)

It may be noted that the new German Government regulations for cutting down university education and establishing a rigidly limited student quota for all forms of higher education (and that also dependent on political " national reliability ") restricts women to 10 per cent. of the quota of 15,000—i.e., only 1,500 women for the whole of Germany to be permitted in a given year to proceed to any form of higher education, whether universities, technical colleges or other institutions. In 1931 there were 19,700 women students in Germany: taking an average three-year course as basis, representing an average pre-Fascist annual entry of 6,000 to 7,000 women students, this represents a cut by Fascism of women's higher education by 75-80 per cent.*

* The drastic cutting down of university education, previously the pride and greatest strength of German civilisation, is a typical expression of the general cultural reaction of Fascism, equally illustrated in the burning of the books, etc. The Berlin correspondent of the *Manchester Guardian* reported in the beginning of 1934:

> " Of the total number of matriculated students in the whole of Germany only 15,000 are to be allowed to enter universities, technical colleges or other institutes of higher education in the coming year. . . . Some 23,000 matriculated students will be unable to proceed to higher education in consequence of the new regulations."

At the same time the Soviet Union educational authorities were reporting that the total number of university and technical college students in the Soviet Union in 1933 was 415,000 as against 203,000 in 1926-7, and 130,000 under Tsarism. In the face of these facts even the dullest should be able to see that Communism, with its basis in science, is bound to conquer the world, while Fascism, with its denial of science, is doomed to decay and death.

Spengler writes in his *Years of Decision*:

Let German women breed warrior men and take pleasure in breeding them.

Woman is to be neither comrade, nor beloved, but only mother.

The American observer, Calvin B. Hoover, reports the Nazi attitude to the women's question:

The attitude of the National Socialists towards women is an integral part of their belief in the desirability of a return to a system of life and morals characteristic of an agricultural rather than an industrial society. The Party is determined that the place of women shall once more be in the home. . . . In a word, the National Socialist conception of women in the scheme of things is that they should bear many strong sons to serve the State in peace and war.

(Calvin B. Hoover, *Germany Enters the Third Reich*, p. 165.)

It is an error to suppose that the reactionary Fascist attitude to women is simply a reflection of a religious-reactionary outlook and yearnings for a pre-industrial type of civilisation. The fact that the policy of minute bonuses (not in cash, but in orders on the large shops, and repayable) for marriage, on the condition that the woman passes out of industry, and the violent propaganda for more births, are accompanied at the same time by the policy of wholesale sterilisation of the alleged unfit or mentally weak (i.e., of those likely to produce offspring unfit for military service or of those politically unreliable), this latter practice being extremely offensive to traditional religious sentiment, is sufficient evidence that the policy as a whole is not simply the policy of religious-reactionary romanticism, but the conscious reactionary policy of modern capitalism in its most extreme decay. Modern capitalism, while freely exploiting women in industry at sweated rates so far as it has use for their labour, kicks the remainder out of industry whom it cannot employ, bidding them become dependent on male wage-earners and thus save its total bill for wages or unemployment relief, and at the same time calls on them to perform their service in producing plenty of recruits for the increasing needs of the slaughterhouses of imperialist war. This is the viewpoint of modern capitalism in extreme decay, or Fascism, on the role of women. In this key question of the role of women, as in its attitude to culture, or in its use of torture and re-introduction of barbaric beheadings, Fascism reveals typically its degraded social, political and cultural level.

CHAPTER X

THE ESSENCE OF FASCISM—THE ORGANISATION OF SOCIAL DECAY

FASCISM, developing since little over a decade, has no long past behind it, and in all probability—from the very nature of its reactionary role, from its violent inner contradictions, and from the whole character of its desperate attempt to throw up a dam against the advancing social revolution—is likely to have no long future before it. Fascism is likely to be remembered only as an episode in the long-drawn class-war advancing to the final victory of the socialist revolution.

But *if* Fascism were able to have the opportunity to continue over a longer period, were able to maintain its power and to dominate, as it dreams, a whole epoch of social history, then it is evident from the whole foregoing analysis what its historical role would be, and what kind of society it would produce.

The society of a " *stabilised Fascism* "—if such a contradiction in terms can be imagined, if, that is, for the sake of analysis we try to imagine the possibility of such a society and ignore for the moment the inner dialectics of break-up and revolutionary upsurge which would make such a stabilisation impossible—would be a society of *organised decay*.

The essence of Fascism is the endeavour violently to suppress and overcome the ever-growing contradictions of capitalist society. As Goering stated in a speech to the Pomeranian Landbund on March 17, 1933:

> The regime of national concentration will with iron fist bring the opposing interests of the different strata of society into that harmony which is so essential to the prosperity of the German people.

Forcible (" iron fist ") suppression of the " opposing interests of the different strata of society " into " harmony," that is to say, in short, " *iron-fist harmony* "—that is the essence of Fascism.

But what does this involve? For in fact just the contradictions and consequent conflicts are the mainspring and driving force of social development in class-society, that is to say, until

society becomes a true collective by the liquidation of classes. Until then, the path of class-conflict is the path of social development. To attempt on the one hand to maintain the contradictions unresolved, and on the other to suppress forcibly their expression, would mean, if successful, that society would cease to develop and would pass, on the most favourable hypothesis, to a Byzantine or Old-Chinese hieratic ossification. But such a society requires in fact an entirely different economy from modern capitalism. And to this outcome the deepest inner tendencies of Fascism—despite the fact that it is to-day used in practice as the instrument of finance-capital—would, if given free play, increasingly develop.

Just by its attempt to suppress forcibly, in place of resolving, the contradictions of modern society, Fascism reveals most profoundly its reactionary role. For by this it strangles social development.

First, Fascism seeks to suppress the class struggle, not by the abolition of classes, but by the violent permanent subjection of the exploited class to the exploiters and crushing of all resistance. This means, even if it could be successful, a condition of permanent inner war within society, with consequent extreme waste of social forces and increasing destruction of all possibility of collective achievement. Its stabilisation would mean the replacement of liberal capitalism by a caste or statutory servile system. As the nineteenth-century liberal capitalist system of formal " free contract " increasingly disappears under modern conditions of large-scale industry, its breakdown raises ever more sharply the two alternatives: either Socialism, or the common ownership of the means of production and common obligation of all citizens to labour and sharing of the fruits; or the Servile State (State Capitalism), that is, the statutory compulsion and regulation of the labour of the wage-earning class for the profit of the property-owning class under a general framework of State control, with the abolition of the right to strike. The Fascist State represents the second alternative, that is, *the Servile State.*

Second, Fascism seeks to suppress the contradictions and conflicts of capitalist economy brought about by the advance of technique and the development of mass-production and productive power. As before, it seeks, not to resolve the contradictions in the higher form of socialisation of the

already social forms of production, but to suppress them by artificially *restricting the productive forces*, throttling down production to fixed limits suitable to monopolist capital, preventing new development, clamping on state bureaucratic control, and even, in extreme cases, artificially maintaining obsolete small-production forms, restricting machine-production and encouraging hand-labour (see Chapter III, sections 1 and 2 for examples of this process). The reactionary, stagnating tendencies of monopoly capitalism receive their extreme expression in Fascism.

Third, Fascism seeks to suppress the contradictions of international capitalist development, that is, the contradictions between the single unified world market and international specialisation of production, on the one hand, and the competing monopolist groups and state complexes, on the other, by forcibly *shattering the basis of international economy* and organising the retreat towards the limited closed-in isolationist economic basis—the line of so-called "national self-sufficiency" or "autarchy." This openly retrograde line means the cutting down of international trade and communications, the raising of the costs of production, the lowering of the standard of living, and the increasing "Balkanisation" of the capitalist world.

Where would this whole line—if we continue for the purpose of our analysis to ignore the dialectics of struggle and development which would make its realisation impossible, and imagine a successful and increasing straight-line realisation of the tendencies of Fascism—lead the modern capitalist world in the twentieth century?

It is evident that this line would be a line of increasing stagnation and decay leading more and more away from the complex inter-dependent modern forms towards more primitive forms, and finally to barbarism.

The first stage of this process of the working out of Fascism would be the stage of an elaborately *bureaucratic and non-progressive state capitalism*—the bureaucratic regulation and restriction of the entire economy, while still maintaining capitalist forms. But while the capitalist forms would still be maintained, and surplus-value would continue to be extracted, the old free play of capitalist production and circulation could no longer be permitted. Accumulation and expansion would have to be strictly controlled, since the normal

working of the capitalist process would otherwise rapidly burst the bonds of the attempted regulation and harmony. The capitalist class would tend to become a permanently fixed class or caste, with no room for new accessions to its ranks. The attempt would develop, by means of control of investments and similar measures, to stabilise on a basis approximating to simple reproduction of capital, and to avoid or minimise the inherent disturbances of expanded reproduction. This would mean a static non-progressive tendency, with regulated quotas of production, prices, levels of wages and profits. New inventions would be strictly regulated and checked, as is to-day widely recommended. Science and education would be discouraged, save so far as is indispensable for military purposes.

This stagnating, non-progressive parasitic character of monopoly capitalism has already been observed since the beginning of the imperialist era. Lenin, in his analysis of imperialism as the " Decay of Capitalism," sharply brings out this tendency:

> Like all monopoly, this capitalist monopoly infallibly gives rise to a tendency to stagnation and decay. In proportion as the monopoly prices become fixed, even though it be temporarily, so the stimulus to all progress tends to disappear; and so also arises the *economic* possibility of slowing down technical progress.
>
> (Lenin, *Imperialism*, Ch. 8.)

The post-war development of capitalism in the two decades since this was written, and especially the development of state capitalism and of Fascism, has enormously carried forward this process.

The " *petrifaction* " of modern capitalist industry under an " anonymous industrial bureaucracy " has been noted as an increasing tendency by the German economic historian, Schmalenbach:

> There is no longer a certain assurance that capable, competent men will make good. I am certainly not so sentimental as to believe that in the old private industry a capable man was assured of advancement under all circumstances. Nevertheless, it is quite clear that in the new type of fettered industry the assurance is considerably less. In these vast monopoly concerns the successful man is much more firmly seated in the saddle than he ever could formerly be under the system of private industry. Under free competition he had to earn his position continually. . . .
>
> The chiefs of industry, at one time very vigorous leaders in the

period of struggle and growth, are petrifying to Heads of Departments, to Chiefs of Industrial Boards, and, as industry turns from the vertical to the horizontal, they change from creative minds to managers of capital and price officials.

But this is only the beginning of the process. This tendency to petrifaction, to a static non-progressive condition, which is the underlying tendency of all the dreams of "Planned Capitalism," is only the first stage. For in fact the non-progressive tendency inevitably works itself out in a tendency to a decline, to a descent towards a lower technical and economic level. The next stage, the first signs of which can already be discerned, becomes the gradual break-up of the large combinations, *the break-up of large-scale organisation*, the reversion to more limited economic units. In place of the internationalisation of economy develops the localised "self-sufficient economic unit." In place of the international specialisation of production develops scattered production on a smaller scale for each unit, and the consequent decline of mass-production. The most advanced large-production plants, with their heavy overhead running costs and need of an enormous worldwide market, begin to be found "*uneconomic*" in contrast to relatively more backward smaller plants. So begins the downward movement (*if* the proletariat does not conquer, *if* the advance to the necessary next stage of the world socialist order is not achieved), from the high-water mark of capitalist technique in the first quarter of the twentieth century to lower and more primitive forms. Such is the economic basis of the "decline to the Dark Ages," which all can see ideologically expressed in Fascism.

Scott Nearing in his pamphlet on "Fascism" has given a vivid imaginative picture of this process. He writes:

> The search for a self-sufficient economic unit will lead the Fascists, as it led those of their predecessors who helped to liquidate the Roman Empire, to a splitting up of economy units until they reach the village, the manor and the local market town. Village economy is almost self-sufficient. . . . Short of this level, however, there is no unit which can pretend to economic self-sufficiency. The search for an area in which economic self-sufficiency is workable leads straight back to such forms of village economy as can be found to-day in portions of Central Europe, India and China.
>
> Autarchy implies the abandonment of national specialisation in production. . . . Mass-production will be drastically restricted.

The abandonment of national specialisation will go hand in hand with the decline of international trade. In proportion as each community becomes self-sufficient, it will cease to trade with its neighbours. Nation will cease to trade with nation; district with district; village with village, until a stage is reached like that of the Middle Ages, at which the trade of the world can be carried on the backs of camels, pack-horses and human beings, or in a few small merchant vessels. Each village, manor, market town, trader and merchant will be compelled to provide for his own self-defence and protect his own property. Localism and individualism will have once again replaced the efforts at social co-ordination. . . .

Automatic machinery will be abandoned with the abandonment of mass-production. The village will rely on hand-agriculture and hand-crafts. Railroads will disappear. Roads will be tracks through the mud. Automobiles will vanish. Bridges will be destroyed in the course of the constantly recurring wars and military expeditions and forays. Pack animals defended by private guards will ford the streams and make their way single-file over narrow winding tracks. If this picture seems fantastic to a modern American or European, let him compare Roman imperial economy in 50 A.D. with the economy of the same territory in 650 A.D. . . .

Mass wage-labour will disappear with the disappearance of specialised mass-production. The modern proletariat will be eliminated by war, disease, famine and the flight back to the land, quite as effectively as the proletariat and the slave masses of Imperial Rome were eliminated by the same means. . . .

The standard of living will be reduced to that of the villagers in present-day Mexico, China, Austria or Rumania, except that the villagers will no longer be able to secure the many trinkets, tools and utensils that now come to them from the centres of specialised industrial production. Each year they will sow their crops; will wait for the rain, and when the rain fails them, will die like flies of the resultant famine. Each year they will reap their harvests; hide them away from roaming bands of brigands and unemployed soldiers; huddle about their meagre fires, and use their spare time in making and repairing household tools and utensils.

(Scott Nearing, *Fascism*, pp. 48-51.)

This picture is an imaginative picture of a hypothetical process—deliberately leaving out of account the dialectics of the proletarian class struggle which will defeat its realisation. But it is essentially a correct picture of what would happen if the innermost tendencies of Fascist economics and politics were worked out to their final conclusion. It is essentially a correct picture of the only final alternative to the socialist revolution.

Those who hesitate at the issue of the socialist revolution will do well to ponder closely this inevitable final alternative which they are thereby choosing.

The sense of the *decline of civilisation*, the overpowering atmosphere of *pessimism*, even though accompanied by formal expressions of hope of revival through Fascism, overwhelmingly dominates all Fascist expression, and betrays its innermost essence.

We have no belief in programmes or plans, in saints or apostles. Above all, we have no belief in happiness, in salvation or in the promised land.—(Mussolini, *Popolo d'Italia*, January 1, 1922.)

Fascism denies the materialist conception of happiness as a possibility.—(Mussolini, *The Political and Social Doctrine of Fascism.*)

In the gloom of to-day and the darkness of to-morrow the only faith that remains to us individualists destined to die is the at present absurd but ever-consoling religion of anarchy.

(*Popolo d' Italia*, April 6, 1920.)

Hopeless we may be, yet we have the hope of doomed men.

(*Blackshirt*, September 16-22, 1933.)

Fully aware of the decline of cultures and civilisations before us, we still demand the right of every proud warrior—to fight for a cause though that cause seem lost.

(*Fascist Week*, January 12-18, 1934.)

'But it is not a lost cause." Such is the hasty addition appended, without attempt at grounds other than a mystic faith, to the last quotation, to save appearances and justify the Fascist fight. But the addition rather confirms than changes the basic outlook revealed. The basic tone and outlook remains that of a dying civilisation fighting against odds to continue defiantly in the face of all the evidence of the doom of history proclaimed against it.

Characteristic of this whole outlook is the dominating influence of Spengler on Fascism. The favourite, the most quoted and the dominating philosopher and teacher of the Fascist " theorists " remains Spengler, the shallow journalistic-smatterer philosopher of the inevitability of decline and of the collapse of civilisation, even though his conclusions are so downright black and hopeless in their pessimism that they are compelled formally to deny them, while accepting his premises. The recent official book of British Fascism (Drennan, *B.U.F.:*

Sir Oswald Mosley and British Fascism) fills its pages with endless excerpts from Spengler, declaring:

Spengler's interpretation of world history is a colossal monument to the European mind. . . . His interpretation of past history remains valid, and constitutes a base from which modern man may begin to interpret his own present and to modify his own future.

What is the teaching of this "colossal" prophet? He writes:

Only dreamers believe that there is a way out. Optimism is cowardice. We are born into this time and must bravely follow the path to the destined end. There is no other way. Our duty is to hold on the last position, without hope, without rescue. . . . The honourable end is the one thing that cannot be taken from a man.

What is the comment of *The Fascist Week* on this commonplace maudlin posturing of all dying civilisations?

His words are a magnificent example of dauntless nobility in the face of inevitable annihilation.—(*Fascist Week*, January 12-18, 1934.)

The Fascist organ thereafter endeavours to plead that perhaps man may be "in some ways free of natural laws" and thus escape the doom. But even the final conclusion of the Fascist organ runs:

For those who make the choice, the very least of their destinies will be an honourable end.

In the same way the official book on *Mosley and British Fascism*, already quoted, glories in the breakdown of civilisation and the return to the primitive:

The powers of the blood, unbroken bodily forces, resume their ancient lordship (p. 198.)

Out of the night of history, old shadows are appearing which menace their complacency. . . . Sir Herbert Samuel, a Liberal of singular perspicacity, believes that Europe is returning to the conditions of the twelfth century. Professor Laski wails against these new men who have "no inhibitions." . . .

The figure of the leader . . . comes out into the stark day—in the grim serenity of Mussolini, in the harsh force of Hitler. And behind them stride the eternal *condottieri*—the gallant, vivid Balbo the ruthless Goering (pp. 42-3).

(Drennan, *B.U.F.: Sir Oswald Mosley and British Fascism.*)

With this typical glorification of the "condottieri," of the return of the brigand Balbo and the gorilla Goering, of the law of the

jungle, we may leave the Fascists to their Neronian pleasures, until such time as the strong hand of the proletarian dictatorship shall end their blood-orgies and establish civilised order and progress throughout the world. What speaks here through the mouth of the Fascists is nothing but the typical decadent parasitic glorification of blood and the cave-man (already visible in its first signs in the invalids Nietsche, Carlyle and other sick types, or later represented in the Ethel M. Dells and Hemingways of literature). Fascism in its ideology is nothing but the continuation of fin-de-siècle decadence into its necessary outcome in blood-lust and barbarism. All this is only the death-rattle of the dying bourgeois civilisation.

Against all this pessimism, decline, decay and filth, tragic destinies, self-heroisings, idolisation of death, returns to the primitive, mysticism, spiritualism and corruption, the revolutionary proletarian movement of Communism, of Marxism, the heir of the future, proclaims its unshakable certainty and confidence in life, in science, in the power of science, in the possibility of happiness, proclaims its unconquerable optimism for the whole future of humanity, and in this sign, armed with the weapons of scientific understanding, of dialectical materialism, of Marxism, will conquer and sweep from the earth the dregs of disease and decay which find their expression in Fascism.

CHAPTER XI

TENDENCIES TO FASCISM IN WESTERN EUROPE AND AMERICA

UNTIL the last few years Liberalism and Social Democracy denied the possibility of Fascism in the "civilised" countries of Western Europe and America.

As early as 1922, immediately after the victory of Fascism in Italy, while current discussion still treated this as an "Italian" phenomenon, the Communist International at its Fourth Congress gave the warning for every country:

> The menace of Fascism lurks to-day in many countries—in Czecho-Slovakia, in Hungary, in nearly all the Balkan countries, in Poland, in Germany (Bavaria), in Austria and America, and even in countries like Norway. Fascism in one form or another is not altogether impossible even in countries like France and England.

But even as late as 1928 the Second International still clung to its theory of "the two Europes" and of "dictatorship" as only possible in "backward" countries. Vandervelde, Chairman of the Second International, declared at its Brussels Congress in 1928:

> A great captain of industry . . . recently said to us: "If without taking into account political frontiers you trace an imaginary line from Kovno to Bilbao, passing through Cracow and Florence, you will find before you two Europes—the one in which horse-power dominates, the other where it is the living horse, the one where there are parliaments, the other where there are dictators." It is in reality exclusively in the latter economically and politically backward Europe that dictatorships more or less brutal, more or less hypocritical, abound, whether veiled or no by a sham national representation.

Three years later, in 1931, the Second International had to admit the incorrectness of this theory. In its report to the Vienna Congress in 1931 the Executive declared:

> Fascism has overstepped the limits which but a few years previously appeared to be drawn for it by the development of modern technique. Whereas it was believed at that time that Fascism was confined to those countries in which "instead of horse-power the

living horse dominates," the Fascist danger has now also penetrated to countries in which industry is highly developed.

The three further years since 1931 have seen the establishment of complete Fascist dictatorships in Germany and Austria, the growth of influentially supported Fascist movements in France and England, the development of the Spanish Revolution to the point of extreme menace of Fascism,* and the establishment of the semi-Fascist Roosevelt emergency regime in the United States.

It is now clear to all that the theory of Fascism as a phenomenon only of "backward" "agrarian" countries is false, and that the Communist analysis of Fascism as the characteristic instrument of finance-capital which can be brought into play in the most highly developed industrial countries when the stage of the crisis and of the class struggle requires it, has been proved correct by facts. Events daily and hourly reinforce the truth that the international working class throughout the world, in every capitalist country, has to fight the menace of Fascism.†

* The question of Spain, which is basically different in type from the leading Western Imperialist countries, is not further dealt with in this chapter; any treatment would require a detailed separate analysis of the whole development of the Spanish Revolution since 1931, its strangling by the left-democratic Liberal-Socialist bloc at the time of the height of the mass revolutionary wave, and the consequent passing of power to the Right and rapid growth of Fascism, approaching the prospect of an intense struggle of Fascism and the mass movement in the coming period.

† The corresponding revision of Fascist expression, from the time when Mussolini declared that "Fascism is not an article for export" to the time when Mussolini declared (1930) that Fascism is "universal" and looks forward to "a Fascist Europe," has accompanied, but has not caused, this development. Apart from the interchanges between Fascist movements, the attempts of Fascism at rudimentary forms of international propaganda are still—inevitably from the very nature of Fascism—feeble so far. A journal *Antieuropa* is issued from Rome with the subtitle "Rassegna del l' espansione fascista nel mondo" ("Review of fascist expansion throughout the world"), and, while mainly Italian, has printed contributions from Hitler, Mosley and others; there is also the similar journal *Ottobre*. The wording of the official announcement of *Antieuropa* (issue of September 30, 1933, containing article of Mosley on "Modern Dictatorship and British History") is worth reproducing as a curiosity:

> "Our organ is really the Worldcentrum of fascist intelligence, furthers extension, illustrates relationship and controls the fascist-intelligence development in the world.
>
> Means of propaganda—*Antieuropa*, monthly review.
>
> *Ottobre*—paper of the Universal Fascism.
>
> Documentate yourselves by means of Nuova Europa."

The striking English of this effusion is sufficiently revealing of the very weak "international" basis of this attempt of Italian Fascism to figure as a "Worldcentrum."

1. *The Basis for Fascism in Britain, the United States and France.*

In 1890 William Morris, in his penetrating imaginative anticipation of the process of the social revolution in Britain, given in his " News from Nowhere " (Ch. XVII, *How the Change Came*) wrote:

> Whatever the Government might do, a great part of the upper and middle classes were determined to set on foot a counter-revolution: for the Communism which now loomed ahead seemed quite unendurable to them. Bands of young men, like the marauders in the Great Strike of whom I told you just now, armed themselves and drilled, and began on any opportunity or pretence to skirmish with the people in the streets. The Government neither helped them, nor put them down, but stood by, hoping that something might come of it.
>
> These " Friends of Order," as they were called, had some successes at first, and grew bolder; they got many officers of the regular army to help them, and by that means laid hold of munitions of war of all kinds. . . . A sort of irregular war was carried on with varied success all over the country; and at last the Government, which at first pretended to ignore the struggle, or treat it as mere rioting, definitely declared for " the Friends of Order ".

The poet of late nineteenth century Britain—whose insight was strengthened above his contemporaries of literature by his acceptance of the standpoint of revolutionary Marxism and direct participation in the mass struggle—here comes remarkably close to a forecast of Fascism. This passage is of interest, not only as one of the earliest direct anticipations of the specific character of Fascism (not merely of counter-revolution in general) in revolutionary socialist literature, but also precisely because it sprang from observation of British conditions and experience of the struggle in Britain. While the blind liberals and reformists three decades later, with facts staring them in the face, were still to be proclaiming Fascism " alien " and " unthinkable " in Britain, it was precisely the observation of British conditions that first awoke in a keen mind, which had drawn nourishment from Marxism, one of the earliest direct anticipations of Fascism.

The illusion of the " alien " character of Fascism in the " democratic " countries of Western Europe and America is commonly presented as based on the supposed peculiarities and uniqueness of the " national character " and " institutions " in these countries. " Britain " (or alternatively, according to

the speaker, " the United States," or " France ") " will never tolerate Fascism; it is foreign to our whole traditions and outlook." The same myth was also current in Germany, where up to the last the formula that " Germany is not Italy " was unweariedly repeated.

What underlies the conception of the " different " character of Western Europe and America and the undoubted fact of the deeper rooting of parliamentary-democratic institutions in these countries? In reality this situation, and the ideology accompanying it, is only the reflection of the wealthier, more powerful, privileged situation of Western imperialism with its vast colonial possessions and world domination. The earlier accession to power of the bourgeoisie in these countries brought parliamentary institutions, the instrument of their fight against feudalism, earlier to the front; and these parliamentary institutions continued to be maintained, after the fight against feudalism was fully completed and the serious meaning had fully gone out of them, for the deception of the working class and the camouflage of the real rule of the narrowing plutocracy. The strength and resources of capitalism in these metropolitan countries made it possible to pursue a liberal policy of concessions to the workers, and thus to draw the working class in the wake of capitalism and hinder the growth of independent class consciousness. Hence the long domination of liberal and social reformist politics in the working class in Britain, France and the United States right into the twentieth century, and the slow growth of class-conscious Socialism, in contrast to Central and Eastern Europe. And hence the solid basis for the longer successful maintenance of parliamentary institutions of deception in these countries, when these same institutions, transferred to other countries, could find little root. The " democratic freedoms " of Western imperialism have been built on the foundation of colonial slavery; as was strikingly demonstrated when the Labour Government, the champion of " democracy," brought in a reign of terror to maintain despotism in India and jailed sixty thousand for the crime of asking for democratic rights.

But just this basis of parliamentary-democratic institutions in the Western imperialist countries is increasingly undermined by the crisis of capitalism. The monopoly of the world market breaks down; the colonies revolt; the world tribute diminishes;

the bourgeoisie in the metropolitan countries is compelled, in place of concessions and reforms, to withdraw those already granted and launch ever-increasing attacks on the workers. But this inevitably brings a new intensity of the class struggle in these countries and a widening revolutionary awakening of the working class. For a period the apparatus of Labourism still serves to canalise the discontent of the workers and keep them attached to capitalism; but Labourism is compelled by the crisis increasingly to expose itself and assist the capitalist offensive against the workers; and disillusionment grows. As this situation develops, the bourgeoisie is compelled to look to new forms to maintain its rule. The movement of bourgeois policy begins to turn away from the exhausted and discredited parliamentarism towards open dictatorship, towards Fascism. This movement, after developing first in the more poverty-stricken and backward countries, reaches its first major imperialist state in Germany, the Power which has been stripped of its colonies and weakened in its world imperialist position, and only finally begins to develop in the dominant imperialist Powers, Britain, France and the United States, and their satellites (Scandinavia, Belgium, Holland, Switzerland).

But so soon as this situation develops, it becomes clear that Fascism, so far from being alien to the Western imperialist states, has an extremely strong potential basis in their whole social, economic and political structure.

What are the general conditions favouring the growth of Fascism? They may be briefly enumerated: (1) intensification of the economic crisis and of the class struggle; (2) widespread disillusionment with parliamentarism; (3) the existence of a wide petit-bourgeoisie, intermediate strata, slum proletariat, and sections of the workers under capitalist influence; (4) the absence of an independent class-conscious leadership of the main body of the working class.

Are these conditions present in Britain, France and the United States? The answer must be given that they are all strongly present.

If we take *Britain* first, and ask the question whether there is a basis for Fascism in Britain, a consideration of the social forces and structure in the country will show that there is every basis.

In the first place, there is a very large proportion of inter-

mediate strata of the population, of petit-bourgeois elements with very narrow and easily controlled political interests, and of a parasitic proletariat closely allied to their masters and virtually unorganisable to the working-class movement. This proportion is larger in Britain than in other countries. The 1921 census showed ten millions of the population engaged in direct productive industries and transport, and seven millions in "services" of very varying degrees of productive value, often of no productive value, but parasitic in character and tied up with the processes of exploitation. Of these seven millions over four millions are classified under Commerce, Finance and Personal Service. This classification, however, is to some extent misleading without further analysis. More important is the proportion of salaried workers to wage workers. In 1924, according to Bowley and Stamp (*The National Income 1924*, published in 1927), the number of salaried workers was 2.8 millions against 15.4 million wage earners, or 15 per cent. of the employed population.*

Further, of the wage-workers, some two-thirds are unorganised; and these two-thirds are not an outside margin in all industries, but mainly represent the workers outside the big productive industries.

At the same time the Labour Party and trade union leadership, by their denial of the class struggle and preaching of the "community above classes," by their alliance with the employers (Mondism) and capitalism, and by their ban on the united front, disorganise the independent class action of the workers and pave the way for Fascism.

An indication of the potential Fascist forces is provided by the monster circulations, approaching two millions, of journals of the type of the *Daily Mail*, circulating mainly among petit-bourgeois elements, and in its whole character since its inception a real forerunner of Fascism more than twenty years before the name existed (since 1934 openly Fascist).

If we turn to the policy and tactics of the bourgeoisie in

* It is noticeable that the proportions of the salariat have considerably increased in the period of the imperialist decline. The 1907 Census of Production estimated the salaried at 7 per cent. and the wage-earners at 93 per cent. For 1911 Bowley and Stamp (*op. cit.*) estimate the numbers at 1.6 millions and 15.6 millions respectively, or over 9 per cent. for the salariat. The 1924 figure gives over 15 per cent. The increase between 1911 and 1924 is by more than 1.1 million or 68 per cent. In the same period, according to this estimate, the number of wage-earners decreased by 250,000.

Britain, it is obvious that these not only do not exclude Fascism, but are on the contrary most closely prepared and adapted for Fascism by all the developments of the imperialist period. On the one hand the State machine—with the famous "unwritten Constitution" which can be turned in any direction desired at a moment's notice to suit the emergency needs of the bourgeois dictatorship—is far more exactly fitted than in any democratic republic for all the purposes of intensified dictatorship and Fascism. On the other hand, the British bourgeoisie is trained for generations on the basis of its rule of India, Ireland and the colonial empire to methods of violence and despotic domination, at the same time as on the basis of parliamentary and electioneering humbug in Britain to the technique of mass-deception—the two together constituting the perfect combination for Fascism. The words of the American Ambassador in London during the war years, W. Page, a shrewd and admiring observer, on the technique of the Diehards may be recalled:

> They call these old Tories "Diehards." It's a good name. They use military power, social power, financial power, eloquence, learning, boundless impudence, blackguardism—everything—to hold what they have; and they fight—fight like tigers, and tire not.

Or as Lloyd George (the "Liberal" founder of the "Black and Tans") declared in a speech in 1925: "Scratch a Conservative, and you will find a Fascist." For those who are still chloroformed by the sedulously instilled myths of law and order, it would be well to study a little the history of the British bourgeoisie for the past three centuries, which in bloody violence could hardly be equalled by any ruling class since the Roman Empire, as well as the action of this same bourgeoisie as a ruling class in the Empire outside Britain to-day. They would speedily learn the mailed fist basis which lies behind the velvet speeches of a Baldwin or a MacDonald. It is sufficient to recall the technique of the Boer War jingo agitation, the Ulster rebellion, the Amritsar massacre, the "Black and Tans" in Ireland, or the organisation for countering the General Strike, to see the full basis for Fascism.

The Ulster movement, with its open defiance of Parliament, organisation of private armies, and direct support by the Army chiefs, the Court and high society, and ignominious capitulation

of the Liberal Government, is of especial interest as an embryonic precursor of Fascism. Lenin wrote of it at the time:

The significance of this revolt of the landlords against the "all-powerful" (as the Liberal blockheads, especially the Liberal scholars, think and have said a million times) English Parliament is extraordinarily great. March 21, 1914, will mark a world-historical turning-point, when the noble landlords of England, smashing the English Constitution and English law to atoms, gave an excellent lesson in class struggle. . . .

These aristocrats behaved like revolutionaries *from the Right*, and by that tore up all conventions, tore down all the veils that prevented the people from seeing the unpleasant, but undoubtedly real, class struggle.

That was revealed to all which was formerly concealed by the bourgeoisie and the Liberals (the Liberals are hypocritical everywhere, but it is doubtful whether their hypocrisy goes to such lengths and to such refinement as in England). Everybody realised that the conspiracy to break the will of Parliament had been long prepared. Real class-rule has always been and still lies *outside* of Parliament. . . . And the petit-bourgeois Liberals of England, and their speeches about reforms and about the power of Parliament, with which they lull the workers, proved to be in fact frauds, straw men put up in order to fool the people, who were quickly *torn down* by the aristocracy with *power in their hands*.

(Lenin, *The Constitutional Crisis in England*, 1914.)

Indeed the Fascists in Britain to-day directly look to the Ulster movement as their predecessor:

Just before the war the widespread movement directed against Parliament, in sympathy with the Ulster loyalists, assumed formidable proportions within two years of its initiation. That movement, psychologically limited as it was, and directed only to the safeguarding of certain limited objectives, would—had not the war intervened—have developed into a formidable revolt against the whole theory and system of Democracy in Britain. The Ulster movement was in fact the first Fascist movement in Europe.

(W. E. D. Allen, *Fascism in Relation to British History and Character*, B.U.F., 1933.)

If we turn to the *United States*, an examination of the social composition of the population would also show the basis for Fascism. Of the 49 million occupied persons returned in the census of 1930, 19 millions were classified under manufacturing industry, mining and transport, 10 millions under agriculture,

6 millions under trade, 3 millions under the professions, 4 millions under clerical occupations, and 5 millions under domestic and personal service. In addition to the urban petit-bourgeoisie and very wide expansion of the salariat, salesmen, etc., the farming population, with some six million separate farms, constitutes roughly one quarter of the total population. Extreme economic pressure has powerfully radicalised all the poorer farmers; but until a strong proletarian leadership succeeds to establish the alliance—all-powerful, once it is achieved—of the industrial workers and small farmers, there is every danger of demagogic Fascist movements winning their hold here. At the same time, the organisation of the industrial workers is weak. Trade union organisation, even after the increases accompanying the present crisis and the Roosevelt Codes (which have mainly in fact encouraged company unions—the initial basis for Fascist organisation in industry), only reaches about one-fifth of the workers; it is mainly confined to the privileged, skilled workers on a craft basis, leaving out the unskilled workers; and, apart from railroads and to some extent mining, has won little hold yet in the basic productive industries. The class-collaboration policy of the American Federation of Labour leadership is more open and extreme than in Europe, and still so far opposes any form of political party of the workers, although the development of the crisis may compel a change in this respect. The reformist labour leaders have taken the role of direct allies and lieutenants of the Roosevelt emergency regime. Here again, therefore, a strong social basis exists for the development of full Fascism, if this should become necessary to the bourgeoisie.

The traditional tactics and methods of domination of the American bourgeoisie are equally adapted to Fascism, in proportion as occasion arises. If they have not had the same experience as the British bourgeoisie in the domination of colonial peoples, save more recently and on a smaller scale, they have had plenty of experience in their own domain in the suppression of the twelve million negroes within the United States and of the heavily exploited immigrant populations. The combination of violence, lawlessness and corruption for the maintenance of capitalist domination has reached classic heights in the United States. It is only necessary to recall the Chicago hangings, Homestead or Dearborn, Sacco-Vanzetti

or Scottsboro, the exploits of the Pinkerton gangs, the methods in the coalmining and steel areas, the private armies of the employers, the judicial murders, the lynchings and gangsters, the Anti-Red drive of the Department of Justice after the war, or the waves of sudden expansion of the Ku Klux Klan and similar organisations, to see the plentiful basis for Fascism in American bourgeois traditions.

If Britain and the United States are both classic lands of semi-Fascist methods of bourgeois domination long before Fascism, *France* has long been considered the classic land of " pure democracy." Yet in fact just the overwhelming petit-bourgeois social basis (preponderant small industry and peasantry, with a layer of finance-capital at the top, but relatively less developed large industry or foreign trade) which underlay the " pure democracy " of formal social-radical republicanism and actual unlimited corruption and rule of the financial cliques, to-day, when the new stage develops, becomes equally the basis for Fascism.

Not only is the majority of the population in France still rural (the proportion of the population in towns of over 5,000 inhabitants was 44 per cent. in 1928, as against 54 per cent. in Germany, 58 per cent. in the United States and 79 per cent. in Britain), but the preponderance of petty industry in the industrial field is still extreme. According to an investigation of de Ville-Chabrolle on the basis of official statistics (see *Economist*, September 30, 1933), out of a total of 6,167,647 establishments in 1926, 5,983,075 consisted of five persons or less (2,981,521 single-handed concerns). Out of 17.8 million occupied persons, 11.8 millions were occupied in concerns of five persons or less, and only 1.5 million workers were employed in concerns of over 500 workers, that is, in large-scale industry. Trade union organisation, reaching to a few hundred thousands in each of the two rival Confederations, is extremely weak, although militant traditions and class-consciousness are strongly developed in the big industrial centres.

The parliamentary republic has maintained a sometimes precarious hold for two generations; but the open reactionary forces which seek to change the regime increase in strength. The experiences of Boulangism, of the anti-Dreyfus agitation, or of the Action Française movement have shown the ground that there is for Fascist agitation; and the offensive of the recent

Fascist demonstrations of the beginning of 1934, leading to the hasty withdrawal of the " Left " Government and instalment of a Government of National Concentration, have shown how rapidly the advance to Fascism may develop in France.

All this is not to argue that Fascism must necessarily develop and conquer in these Western countries. Its success or failure, as in every country, depends on the degree of preparedness and militant resistance of the proletariat. But it is folly to be blind to the reality of the danger, or to the many favouring factors that Fascism can marshal to its side in precisely these countries. Above all, it is worse than folly to place a blind confidence, as the liberal and reformist leaders preach, in the " democratic institutions " of these countries. The bourgeoisie will use any and every instrument of struggle as occasion arises. It is for the working class and its allies to be prepared for the fight in front.

2. *The Significance of the National Government in Britain.*

The development of the world economic crisis has brought a sharp break in the political development in the countries of Western Imperialism, and in so doing has brought the question of Fascism increasingly to the front also in these countries.

In England the break took place in the autumn of 1931 with the financial crisis and the establishment of the National Government.

In the United States the break took place in the spring of 1933 with the inauguration of the Roosevelt regime amid extreme financial crisis and the establishment of emergency powers.

In France, where the effects of the economic crisis have operated more slowly, the break came with the Paris revolutionary and counter-revolutionary demonstrations of February 1934, and the formation of the Government of National Concentration under Doumergue.

All these reveal a common process of concentration of the bourgeois forces in the crisis, establishment of intensified forms of dictatorship and emergency powers, diminution of the role of parliamentarism, and, in general, advance to types of the pre-Fascist stage which characterised the Brüning regime in Germany.

What was the significance of the formation of the National

Government in Britain, and of the stage of the crisis which gave rise to it?

In the first place, it marked the heavy discrediting of the Labour Party. The Labour Government, which had been placed in office by eight million votes on a programme of promises of socialism and of the solution of unemployment, had looked on impotently while unemployment rose under its rule from 1.1 millions to 2.7 millions, and had proved itself only the ally of capitalist rationalisation against the workers. The hopes which had been preached throughout the post-war period of the peaceful democratic Labour path to socialism as the alternative to revolution, and which had won a steadily rising Labour vote from 2 millions in 1918 to 8 millions in 1929, received a heavy blow. Disillusionment in the masses was rising. But the Labour Party had in reality represented the safety-mechanism of bourgeois rule in the post-war period, like Social Democracy in Germany, the *social-conservative* force which, while seeming to voice the socialist aspirations of the masses, had served to attach them through parliamentarism to the bourgeois regime. This was now in danger of collapsing and giving place to the rising process of revolutionisation. The bourgeoisie was quick to sense the danger. Already in the spring of 1930 Lloyd George voiced the menace to the traditional bourgeois institutions through the discrediting of the Labour Party. Describing how the workers had originally put their hopes in the Liberal Party and lost faith in it, he continued:

> Millions consequently threw in their lot with a new party. To them this party was the party of the last hope. It is now rapidly becoming the party of lost hope. Speakers and agents of all parties returning from the last by-election in a great industrial constituency had the same tale to tell. It was one of the gloom and despair which had fallen on this working class district owing to the failure of the Government they had helped at the last General Election to put into power to bring any amelioration into their conditions and prospects. If Labour fails this time, confidence in parliamentary institutions will for a period disappear in myriads of loyal British homes and hearts.
>
> (Lloyd George, article in the *Daily Express*, March 18, 1930.)

The bourgeoisie manœuvred to meet this critical situation. The step, previously only attempted in wartime, was taken of

creating a Coalition Government from all the parties, the National Government, under the nominal leadership of MacDonald and Snowden, and under the actual control of Conservatism, to win anew the confidence of the masses under this new cover. The manœuvre succeeded for the moment, by playing on the very intensity of the disgust of the masses with the Labour Government. The Labour vote fell for the first time since the war, by the heavy fall of two millions. But this disillusionment did not go to the benefit of the small revolutionary vote, which only slightly increased. Many former Labour voters abstained. The benefit of the process of disillusionment went to the "National" vote, which swept the country with $14\frac{1}{2}$ millions.

It is clear that we have here a special form of the same process which was demonstrated in Germany. The betrayal by Social Democracy thrusts millions of workers and former petit-bourgeois supporters into the reactionary camp, which is skilful to put forward a new flag in order to win them. This is the heart of the process of Fascism. It is revealed in its first rudimentary form in the "National" manœuvre in Britain. *The "National" vote of 1931 was the warning-signal of the danger of Fascism.*

Second, the National Government marks the process of bourgeois concentration and intensified dictatorship for the carrying through of measures of an increasingly Fascist character. The consciousness of this role of the National Government, as directly analogous to that of Nazism or Fascism, was openly expressed by the Prime Minister, MacDonald, in his speech to the National Labour Committee on November 6, 1933:

> The secret of the success of dictatorships is that they have managed somehow or other to make the soul of a nation alive. We may be shocked at what they are doing, but they have certainly awakened something in the hearts of their people which has given them a new vision and a new energy to pursue national affairs.
>
> In this country the three parties in co-operation are doing that, and our task must be to get the young men with imagination, hope and vision behind us.

The National Government thus avowedly sets itself the task to achieve the same objects as those of Hitlerism in Germany, whose "dictatorship" it publicly praises as representing a "new vision" and a "new energy" to "make the soul of a

nation alive." This direct praise of Fascism comes from the man who was till 1931 the accepted Leader of the Labour Party, and who indeed gave similar praise to Italian Fascism, while still Leader of the Labour Party.

A still more complete and conscious expression of the new policy has been provided in the more recent declarations of the Cabinet Minister, Elliot, Secretary for Agriculture, a former Fabian. Elliot, who came to the front as the most active exponent of the new economic policy in respect of the whole system of quotas, licences, subsidies, controlled and restricted production, etc., has increasingly underlined the political significance of the process. In his broadcast speech under the title "Whither Britain?" on March 27th, 1934, he spoke of the transition to the "New State," of the necessity to "give up a certain amount of liberty," of the need of "economic self-discipline," "psychological self-discipline," etc., and directly compared the rôle of the National Government to that of the Hitler Government in Germany. To-day Elliot stands out as the principal governmental representative of the new Fascist tendency.

The development to Fascism does not necessarily take the same form in every country. The general tendencies of the new economic and political policies which receive their most complete expression in Fascism are common in greater or less degree, as has been already pointed out, to all modern capitalism. But the first steps towards Fascism commonly develop in and through the decaying forms of the old bourgeois democracy. This is above all the significance of the National Government, which itself carries forward tendencies already visible in the whole post-war capitalist development.

On the one hand, the National Government carries forward the new lines of economic policy (increasing State regulation of production, tariffs, quotas, import boards, the striving towards empire economic unity) and the active increase of war preparations.

On the other hand, the National Government carries forward the process of the *transformation of bourgeois democracy from within*—the development of new forms of intensified capitalist dictatorship and increasing restriction of democratic rights.

This process is already visible in the whole post-war period, notably in such measures as the Emergency Powers Act and in

the Trade Union Act of 1927. It is carried very markedly forward under the National Government. This is shown in such measures as:

1. The increasing separation of governmental action from parliamentary forms, and extension of government by administrative order or by Orders in Council (the Economy cuts and Means Test were put through by Orders in Council, and only referred to Parliament after they were already in operation);
2. The reorganisation of the police under increasingly centralised and military forms, and rapid increase of police expenditure;
3. Increasing restriction of the rights of free speech and assembly, prohibitions of meetings (e.g., bannings of meetings of unemployed at labour exchanges), imprisonment without charge of any offence committed (Tom Mann case), etc.;
4. Active political repression against the workers (in the two and a half years of the National Government up to the spring of 1934 over 1900 arrests for political offences have taken place, over 600 sentences for a total of 1,613 months imprisonment, and some 850 fines for a total of £2,540), police interference with strikes, etc.;
5. Increasing police violence against the workers, baton charges, etc.
6. The Unemployment Bill, bringing the unemployed, who have outrun the short period of regular benefit, under the control of a centralised autocratic Board, not responsible to Parliament, with power to establish camps and " training centres " (" concentration camps " in the Home Secretary's phrase), subjecting them to a semi-military regime and forced labour without pay or for purely nominal rates of pay—any worker who resists this slavery and smashing of trade union rates and conditions being liable to be sent to prison;
7. The Incitement to Disaffection Bill, nominally directed against anti-militarist propaganda, but in fact very much wider and so worded, in its original form as presented, as to make the mere possession of any revolutionary socialist or anti-war literature an offence

punishable with two years imprisonment, and giving to the police unlimited powers of search and confiscation.

All this may be described as the process of "*encroaching Fascism*" within the old forms, which precedes and prepare the full Fascist attack. An examination of the experience of the Brüning regime in Germany, or of the successive earlier stages of Dollfuss in Austria (when he was still loudly hailed as the "champion of democracy" by all the liberal and social democratic forces of the West), will abundantly show the significance of this process, which has definitely begun its first stages in Britain.

3. *The Roosevelt Emergency Regime.*

The Roosevelt emergency regime in the United States offers a still clearer demonstration of the whole process.

Here the move to a form of dictatorship of a war-type is open. From the moment of his inauguration the new President demands and is granted emergency powers "as in wartime."

> I shall ask the Congress for the one remaining instrument to meet the crisis—broad executive power to wage war on the emergency as great as the power that would be given to me if we were in fact invaded by a foreign foe.
>
> (President Roosevelt's Inaugural, March, 1932.)

> We do not expect to have to resort to the drastic steps taken during the war. But we have the same kind of a situation.
>
> (General H. S. Johnson, speech at Chicago.)

What is the essence of the "New Deal," if we strip from it the sentimental philanthropic ballyhoo?

The "New Deal," the policy of the Roosevelt regime expressed in the National Industrial Recovery Act and associated measures, represents the most comprehensive and ruthless attempt of finance-capital to consolidate its power with the entire strength of the State machine over the whole field of industry, to hold the workers in subjection under extreme and intensified exploitation with a universal lowering of standards, to conduct on this basis and on the basis of the depreciated dollar a world campaign for markets, and to prepare directly the consequent inevitable war.

The signal marks of the Roosevelt policy are:

1. *State Capitalism.*—The process of trustification in the United States was previously still to some extent hampered by

the remains of the old anti-trust legislation surviving from the pre-war epoch. The New York correspondent of the London *Times* (June 6, 1933) stated the first and principal reason for big business support of the Industrial Recovery Act: "What big business desires above all things is relief from the antiquated Anti-Trust Laws." By one stroke all anti-trust legislation is swept away. The Preamble of the Industrial Recovery Act openly proclaims the aim "to remove obstructions to the free flow of inter-State commerce which tend to diminish the amount thereof, and to promote the organisation of industry for the purpose of co-operative action among trade groups." A gigantic process of consolidation of the big monopolies, and extermination of the small producers and independent firms in the leading industries ("Ten million retailers protest against the Blue Eagle: they maintain they cannot do business on a basis of shorter hours, more wages and practically the same prices"—*Daily Telegraph*, August 25, 1933), already begun by the effects of the crisis, the credit-smash and the operations of the Reconstruction Finance Corporation, is now carried to its logical conclusion. Every leading industry is established under direct State organisation, with regulation of labour conditions, price-fixing, restriction of production and guaranteed profits. This is the ideal of capitalist society in decay, seeking to chain the productive forces which have outgrown capitalism.

2. *Inflation.*—The ostensible purpose of inflation is proclaimed as to give a stimulus to recovery (a stimulus whose artificial character is rapidly revealed, as in the heavy decline in the autumn of 1933 following the short-lived summer boom), and to relieve and reduce the load of debts of agriculture and industry, which were threatening to bring the whole structure crashing. Its actual operation reveals it as one of the familiar weapons of finance-capitalist brigandage in periods of crisis. It means in the first place a direct robbery of all small owners and of all small savings, the partial expropriation of the petit-bourgeoisie. Second, it serves as the basis for colossal share-speculations and manipulations, as well as processes of price-raising, for the profit of finance-capital. Third, it effects a universal reduction of the real wages of all workers, such as to make the guaranteed wage standards, already fixed at very low levels, in practice the cover for a general lowering of wage-standards, as even the American Federation of Labor has now

begun to complain. Fourth, it opens the way in the international sphere to a price-cutting campaign on the basis of the depreciated dollar, to wipe out competitors and swamp the already depressed world markets.

3. *Servitude and Intensified Exploitation of Labour.*—The new Industrial Codes establish an authoritative regime of the subjection of the worker under the direct union of the employers and the State, with Government-fixed wages, hours and conditions of labour, virtually compulsory arbitration by the Government, and increasingly open offensive on the right to strike and on independent workers' organisation. While the social fascist organs are drawn directly into the governmental apparatus, a full offensive is let loose on all independent militant unions. The inauguration of the new industrial regime is accompanied by the shooting of miners on strike in Western Pennsylvania and the proclamation of martial law against strikers in Utah and New Mexico. " The A.F. of L. has voluminous evidence," declared its president, William Green, on January 15, 1934, at a hearing on the lumber code, " that drastic reduction has taken place in the wages of skilled workers since the adoption of the code, and that the minimum wages tended to become the maximum wages paid." In the name of the N.R.A. the employers endeavour to proclaim all strikes and picketing illegal. At the same time in the Labour Camps some 350,000 young workers are placed under semi-military conditions.

4. *War-Preparations.*—The Industrial Recovery Act specifically provides for the building of " naval vessels, airplanes and mechanisation or motorisation of the army tactical units." 235 million dollars of the special appropriations for Public Works are devoted to the Navy. The Secretary for the Navy, Swanson, states:

> I know of no more effective and praiseworthy way of giving our industrial life that country-wide stimulus which it so sorely needs than by devoting a portion of the money and energy which is to be used for public construction to this vital arm of our national defence.
>
> (New York *Times*, June 16, 1933.)

The war character of the whole system of State organisation, mobilisation of industry and semi-conscription of labour, is obvious.

To what outcome does the new American system lead? Its economic outcome can be no more successful in solving the

crisis than the similar methods of Fascism elsewhere. The emptiness of all the promises of renewed prosperity, of the solution of unemployment and of the achievement of higher standards all round, has been already demonstrated. The speculative production boom of the summer of 1933 only led to a small increase in employment, and yet was followed by a rapid collapse, showing the impossibility of absorbing the present increased productive power under existing conditions, save through the final " solution " of war. The Federal Reserve Board index of industrial production (reduced to the base of 1928 as 100) which rose from 54.1 in March 1933, to 90.1 in July, fell to 65.8 in November, and had only risen to 68.5 by January 1934. The " stagger " system of reducing the nominal figure of unemployment, as in Germany, by spreading the existing employment means no real increase in the volume of employment.

The Civil Works schemes, while pouring out colossal sums of money to give temporary employment and thus assisting the process of inflation, only intensify the problem when, owing to the enormous rising volume of debt, they have to be diminished and come to an end, throwing millions again into the unemployed, while no permanent channels of employment have been found. The level of real wages has been lowered owing to the rapid rise in prices. The American Federation of Labor is compelled to report in its official organ in January 1934:

> Since the bank crisis, the average worker's weekly income has risen 7.4 per cent. (to October), but prices the worker has to pay for his living expenses have risen much more than this. Food prices are up 18 per cent. (to November 21), prices of clothing and furnishings are up 26.3 per cent. (to November).
>
> Thus the worker who had a job right along is worse off than he was when the year began. His pay envelope may be larger, but it buys less. His real wage is smaller.
>
> (*The American Federationist*, January, 1934.)

In January 1934, the President of the American Federation of Labor, William Green, complained that there were still nearly twelve million workers not absorbed into normal employment, and that " workers are steadily losing by price increases ":

> Our estimate shows that there are 11,690,000 persons wanting work, but unable to find employment in our normal industrial production services. . . . Unemployment is still above the 1932

level by 1,500,000. . . . Workers are steadily losing by price increases, and we must expect their living standards to be further reduced as prices go on upward.

But while all the social-reformist " progressive " camouflage of the Roosevelt " New Deal " thus rapidly fades away, the reality of the new Fascist type of system of concentrated state capitalism and industrial servitude remains. As Roosevelt declared in his Message to Congress in January 1934:

We have created a permanent feature of our modernised industrial structure, and it will continue under the supervision, but not the arbitrary dictation, of the Government itself.

Roosevelt's Secretary for Agriculture, Wallace, still further brought out the implications of this process in his pamphlet entitled " America Must Choose", issued in the spring of 1934. In this pamphlet, in the course of which he advocates that America must " annually and permanently retract of our good agricultural land some 25,000,000 acres," he states:

The new types of social control that we have now in operation are here to stay, and to grow on a world or national scale. . . .

As yet, we have applied in this country only the barest beginnings of the sort of social discipline which a completely determined nationalism requires. . . . We must be ready to make sacrifices to a known end.

The significance of the Roosevelt regime is above all the significance of the transition to Fascist forms, especially in the economic and industrial field. As the Associate Editor of the *Current History Magazine* of the New York *Times*, E. F. Brown, writes:

The new America will not be capitalist in the old sense, nor will it be Socialist. If at the moment the trend is towards Fascism, it will be an American Fascism, embodying the experience, the traditions and the hopes of a great middle-class nation.

(*Current History Magazine*, July, 1933.)

But in fact this stage is still a transition. As the failure of the plans of economic recovery becomes manifest and gives place to new forms of crisis and widespread mass discontent, and above all as the advance to war implicit in the whole Roosevelt policy develops, the demand for corresponding political forms of Fascism will inevitably come to the front in the United States.

4. *The February Days and the National Concentration Government in France.*

In France the development of the effects of the economic crisis appeared at first more slowly. But in the latest period the situation has gone forward with extreme rapidity, and the question of Fascism has become a burning issue.

The events of February 6-12, 1934, and the fall of the Daladier Government, leading to the formation of the transitional Doumergue Government of National Concentration, have brought to the front the whole question of Fascism and the increasing signs of advance to a direct armed struggle.

These events are of vital importance for the Western "democratic" countries, because in these events are set out with crystal clearness the two alternative paths, the path of the "left bloc" or bourgeois-liberal democracy, leading in fact to Fascism, or the path of the united working-class front of struggle, which can alone defeat Fascism.

What was the situation on the eve of the events of February 6-12? The national-chauvinist, Fascist and Royalist forces in France—at all times active beneath the democratic-republican exterior—developed extreme activity in the gathering crisis, and especially since the advent of Hitlerism, with the open alliance and assistance of the police authorities in Paris and of the big press, that is, of the State and finance-capital. At the same time the governmental forms were showing the same increase of executive powers and repression of the workers common to all capitalist governments in the present period. Even *The Times* on February 5, that is, before the decisive events, was compelled to note:

> A contrast has been drawn between the severe repression of Communist manifestations and the comparative immunity from punishment of Royalist demonstrators and the Royalist newspaper which directly incites its readers to riot in the streets.

This was under a "Left" bourgeois Government, maintained in office in practice by the support of the Socialist Party. The majority in Parliament was a "Left Cartel" majority, consisting of the Socialist Party and of the "Left" bourgeois groupings.

This "Left" bourgeois Government (previously under Chautemps, then under Daladier) was heavily discredited by

one of the typical recurrent financial and police scandals, the Stavisky scandal, which was being utilised by the reactionary forces to raise agitation against the parliamentary regime and to prepare a Government of National Concentration, just as the crisis of the franc was similarly used in 1926. After the dismissal of the police chief, Chiappe, who was notoriously hand-in-glove with the Royalist and Fascist elements, preparations were openly made—without interference—and proclaimed in the big press for a jingo riot on February 6, which was to serve as a preliminary trial of strength and spear-head for the Fascist advance.

What was the line of the Daladier Government and of "left democracy" in the face of this challenge? The Socialist Party voted its confidence in the Daladier Government, in the "Left" bourgeois Government, as the defender of "democracy" against Fascism. On the basis of their support the Daladier Government received a substantial parliamentary majority of 360 to 220 on the critical evening of February 6. As against this line the Communist Party, which had approached the Socialist Party for the united front against Fascism in March 1933, and been refused, called for the united front from below, called the workers to the streets against the Fascist attack, and through the unions began to make agitation for a general strike against the Fascist menace. The two lines were now to receive their practical demonstration in the events that followed.

The Daladier Government massed heavy military forces in Paris in the days preceding February 6. But did it act against Fascism? The leaders of the Fascists and Royalists were allowed to carry on their preparations in complete freedom. Previously, on the eve of a Communist May Day demonstration, three thousand Communist leaders had been arrested in Paris in order to cripple the organisation of the demonstration. On the eve of this reactionary demonstration not a single Fascist or Royalist leader was touched. The organisers of the reaction were given freedom of the streets to burn, destroy, set fire to Government buildings, and advance on the Chamber of Deputies; no adequate forces were placed against them; the police were inactive; the "Gardes Republicaines" and "Gardes Mobiles" were steadily commanded to retreat and give way before the bourgeois mob; only at the last

moment, when the Chamber was nearly reached and the bourgeois demonstrators began to fire with their revolvers, the " Gardes Mobiles," not on the order of their officers, but in instinctive self-defence, fired back, and about a dozen of the dupes of the reaction and onlookers were killed. The subsequent Commission of Enquiry established that the shooting was begun by the Fascist demonstrators and maintained for half an hour before any answering fire took place on the side of the Government forces; and that even so no order to fire was given by any officer, but that the rank and file of the " Gardes Mobiles " began spontaneously to fire in self-defence and were immediately ordered to stop by their officers.

The sequel to this incident is instructive for the whole future of parliamentary democracy. Immediately following this incident, on the very next day, on February 7, the Daladier Government, which had just received an overwhelming parliamentary majority, resigned; and there was installed, amid the plaudits of the millionaire press, the Doumergue Government of National Concentration, with the semi-fascist-Tardieu in a strategic position in its midst.

How did this happen? Why this sudden surrender of the legal Government with a parliamentary majority before the first Fascist street-offensive? This question is of crucial importance for all the Western " democratic " countries, where confidence in " democratic institutions " as the defence against Fascism is still preached.

Why did Daladier, " champion of democracy " and chosen representative of French Socialism, immediately resign before the Fascist extra-parliamentary offensive? Where, then, was the " sovereignty of Parliament," " law and order," the " will of the electors," and all the paper paraphernalia of bourgeois democracy? Flown to the winds, as soon as finance-capital gave the order in the opposite direction. The parliamentary majority might vote one thing; but finance-capital ordered another, and finance-capital was obeyed, including by the representatives of that parliamentary majority.

The Daladier Government issued an explanation that it resigned " to avoid further bloodshed ":

> The Government, while responsible for the maintenance of order, declined to ensure it by the employment of exceptional means, which might result in severer repressive action and further blood-

shed. The Government had no wish to use soldiers against the demonstrators, and for that reason had laid down office.

The transparent hypocrisy of this " explanation " is manifest. As if any French bourgeois Government had ever hesitated to use the utmost violence against working-class demonstrators, not merely using soldiers against them, but organising complete military operations against them, as was done on the night of the far more serious fighting of February 9, amid the applause of the entire bourgeois press.

Daladier resigned, not because he was a pacifist, but because he was a puppet of finance-capital and could do no other. Daladier resigned because he was compelled by the real ruling forces of the State, in relation to which a parliamentary majority was mere stage-play. What else could he do? Even had he had the will to fight, he had no forces. The police belonged to the reaction: the General Staff belonged to the reaction; it was reported that the old Marshal Lyautey threatened to lead the army on Paris if there should be any attempt at resistance by the parliamentary majority. He was as contemptible a helpless puppet as Asquith over Ulster.

Had he wished to fight, he could only have done one thing, to have publicly exposed the whole plot, and to have called on the proletarian masses, on the rank and file of the soldiers, to resist. But this would have meant to unloose the proletarian revolution, which he feared as much as any of the Bloc National or the Fascists. At bottom he was one with these; all the liberal-democratic pretence was no more than electoral humbug. He knew his duty. He went quietly.

Therewith the whole card-castle of bourgeois democracy, of the " democratic " defence against Fascism, of " democracy versus dictatorship," of the whole Social Democratic line, came tumbling down. The line of the " Left Cartel," of the French Socialist Party, of the parliamentary-democratic " defence " against Fascism, was proved once again only to have smoothed the way for the advance of Fascism, for a Goverment of the Right, for intensified dictatorship against the workers—so much so that the Socialist Party, after the damning exposure of February 6, was compelled to make a show in words of calling for the united front and supporting the general strike against Fascism, when it was no longer possible to hold back the workers with the " democratic " deception.

In his speech of apologia to his constituents on April 8 Daladier admitted that he was aware that a full counter-revolutionary coup was being prepared for February 6:

> The Fascist organisations were mobilised to force an entry into the Chamber, to proclaim the fall of parliament and to impose a dictatorship. Authentic documents proving this, direct appeals to insurrection, have been placed in the hands of the Commission of Enquiry.

Why, then, did the Left-Democratic Government, with this information in its hands, take no action? Why did these "democrats," so merciless and rigorous against the slightest sign of Communist activity, making arrests and suppression right and left, not lay a finger on the Fascist press which was openly calling to insurrection? He has no answer. On the contrary, he is anxious to show that no serious measure of defence was taken:

> It has been established that at no point was any order to fire given by the Government. Not a single machine-gun, not a single repeating-rifle was in the hands of the "Gardes Mobiles" or of the police.

Why did the Government, chosen by the parliamentary majority, take no steps to maintain itself against Fascism, but instead resign at once, despite its parliamentary majority? He admits that this question is perplexing "republican opinion":

> Republican opinion is amazed that the Government should have resigned on February 7 instead of maintaining itself in power, since it had the majority in parliament.

He has no answer. He fumbles and stumbles over the question. He accuses fellow-ministers of having wanted to give way. He accuses the President of having insisted on his resignation. He hints at legal difficulties in the way of taking any effective measures, of making arrests, of proclaiming martial law: would the President have signed the decrees, or would parliament have supported him? As if there should have been a moment's difficulty or hesitation to carry through any steps whatever, if it had been workers, and not Fascists, who had advanced in armed formation to burn down Government buildings, invade the Chamber and proclaim a dictatorship. Finally he ends with the old lame excuse:

> It seemed better to resign than to risk any further spilling of blood.

Thus the swan-song of parliamentary democracy, the regime of blood against the workers, of bloodshed unlimited in imperialist war, but toothless and helpless against Fascism and reaction. On February 6-7, 1934, parliamentary democracy in France signed its death-warrant.

The Fascist-Royalist demonstrations of February 6 were in reality only the preliminary offensive of the reaction to conceal and defeat the real rising movement of mass-discontent, the rising movement of the working class, against which a Government of intensified dictatorship was required. Hence the peculiar character of the manœuvre which installed the Government of National Concentration.

The full significance of this process—first, the preliminary preparations under cover of the " Left " Daladier Government, and the military massing of artillery and troops by this Government with the support of the Socialists, and then, at the critical moment, the replacement of this Government by a Right Government of National Concentration—was laid bare in the days following February 6, as the working class came increasingly into action.

The battles of Friday, February 9, when the Communist demonstration had been banned by the Government, and the workers fought for possession of the streets, enormously exceeded in their range February 6, and were turned into a full military operation by the Government. 23,000 troops and 14,000 police were called into action against the workers.

In contrast to Tuesday night (February 6), when the police offered only half-hearted resistance to the Fascist and Royalist rioters till it was too late, the city was turned into an armed camp. (*Daily Herald*, February 10, 1934.)

The capitalist dictatorship had no scruples now to " employ exceptional means " or " use soldiers against the demonstrators." But the strength of the working-class resistance was such that it was successful to give pause to the first wave of the Fascist attack.

This was still further shown in the country-wide General Strike of February 12. The Communist slogan for the 24 hours general strike received such wide mass support that the reformist unions were compelled formally to take it up, even though they tried to sabotage its execution, going so far as to turn it in their actual instructions (the railwaymen) into a

"fifteen minutes" or even "one minute" strike. But the strike and the accompanying united front demonstrations won overwhelming support throughout the country. The true path of the struggle against Fascism was thus shown. The rising strength of the united working-class front of struggle in France was laid bare as the sole power of the fight against the rising Fascist offensive of French finance-capital.

The Government of National Concentration in France is thus revealed as a typical *transition* Government of the advance to Fascism. Its functions may be summed up: first, by the concentration of all forces to counter and defeat the rising wave of working-class discontent; second, in view of the strength of the working-class resistance, to cover the too open Fascist designs with a show of "appeasement" and "safeguarding" of parliamentary democratic institutions; third, to carry through the heavy offensive against the working class required by finance-capital, as shown in the cuts campaign; and fourth, to provide the cover under which the Fascist forces can carry forward their preparations for a further assault.

To-day the Fascist and Royalist forces are actively carrying forward their armed preparations, and speak openly of a future coup. The signs point to critical conflicts in the near future in France.

5. *The Beginnings of Fascist Movements.*

In 1905 Milner, one of the more far-seeing leaders of the older British imperialism, described in a private letter the only hope that he could see for the salvation of bourgeois rule:

> Perhaps a great Charlatan—political scallywag, buffoon, liar, stump orator, and in other respects popular favourite—may some day arise who is nevertheless a *statesman*—the combination is not impossible—and who, having attained power by popular acts may use it for national ends. It is an off-chance, but I do not see any other.
>
> (Milner, letter to Lady Edward Cecil, *The Milner Papers*, Vol. II, 1899-1905.)

Here we see the bourgeoisie consciously groping for the forms of Fascism long before Fascism existed. The fact that so lifelike a description of Hitler or Mussolini could have been penned a decade before these began to play their role is a striking confirmation of how little it is personality that creates

history, and how much rather history calls forth the personality that it requires at a given stage. Fascism does not come into existence because a " leader " arises. On the contrary, because the bourgeoisie requires Fascism, a " leader " is created from such materials as can be found.

This is particularly important with regard to the development of Fascist movements in Britain, France and the United States, where there is still some difficulty in finding a suitable " leader " with sufficient popular qualifications (in Britain, a definite candidate exists, but drawn from the plutocracy). The development of a specific Fascist movement is a complicated process, involving a considerable " trial and error " of rival movements, before the successful technique is found. Only fools will laugh at the awkwardnesses of these embryonic stages, and not realise the character of the serpent that is being incubated. The crystallisation of Fascism into a single main movement has taken over ten years in Britain, and may not have yet reached its final form; the process is still uncertain in France, owing to the special complication of the existence of the older Royalist " Action Française," which is stronger so far than the nascent pure Fascist movements and may still dominate them; in the United States the situation is still that of the early stages of confusion.

More important in this initial stage than the specific Fascist movements are the direct tendencies within leading circles of the bourgeoisie towards open Fascism, and therefore towards the creation of a Fascist movement or towards support of the most effective Fascist movement already existing. These direct expressions of support for Fascism are to be found in abundance among the leaders of the bourgeoisie in Britain, France and the United States.

The close connections of leading British bourgeois circles with Italian Fascism and with Hitlerism are notorious. Mussolini had scarcely completed his coup d'état before he was ostentatiously honoured by the British King in 1923 with the Order of the Grand Commander of the Bath as a reward for his services to the counter-revolution (corresponding to the similar title of a lower grade conferred on the unsuccessful Denikin). The intimate relations of Chamberlain and Mussolini were repeatedly expressed with a fervour which was not solely dictated by the requirements of foreign policy. The connections

of envoys of Hitlerism with British Conservative headquarters were reported already before its advent to power. Churchill openly declared, speaking in the Mecca of Rome in 1927, his support for Fascism:

> If I had been an Italian, I am sure I should have been entirely with you from the beginning to the end of your victorious struggle against the bestial appetites and passions of Leninism.
>
> (Churchill, Address to the Roman Fascists, January 1927, quoted in Salvemini, *The Fascist Dictatorship*, p. 20.)

Mond, the patron saint of the Trades Union Congress and joint author of the Mond-Turner Reports for class co-operation, was no less open in his recognition of Fascism and explicit avowal that his purpose in the industrial peace negotiations with the Trades Union Congress was directed towards the same aim as Fascism. His avowal, made also in Rome (the shrine where the hearts of British Conservative statesmen are to-day opened) in 1928, was indeed so explicit, as reported in the British Press, that he subsequently endeavoured to disavow it and allege an "abridged" and "incorrect version" of his remarks; "my references to Fascism," he wrote, "were entirely restricted to its application to Italy." The report, as printed in the *Daily Herald*, ran:

> "I admire Fascism because it is successful in bringing about social peace," said Sir Alfred Mond in an interview in Rome yesterday, reported by the Exchange. "I have been working for years towards the same peace in the industrial field in England. . . . Fascism is tending towards the realisation of my political ideals, namely, to make all classes collaborate loyally." (*Daily Herald*, May 12, 1928.)*

The Rothermere and Beaverbrook press support of Hitler and Mussolini, and demands for "a British Hitler," are notorious, culminating in the direct support accorded by the Rothermere press to the British Fascist movement.

Of especial importance are the recent developments of the Diehard and right-wing revolt within the Conservative Party, represented by Churchill, Lloyd and others, and also, in varying forms by Rothermere and Beaverbrook. Under the form of the

* See Trades Union Congress Report, 1928, p. 215, for Mond's partial denial, and p. 412 for Citrine's amazing defence of Mond's right to be a Fascist and in favour of the trade union alliance with Mond, even if Mond were a Fascist: "Supposing that the statement had been true, and that he had associated himself with Fascism, would that have been a logical ground on which to break down discussion?"

battle against Baldwin, and especially over the issue of India, is fought the battle of more and more open opposition to parliamentary democratic institutions; and the Conservative headquarters is hard pressed to maintain control within the party for the present more cautious stage of official bourgeois policy (it may be noted that between 1933 and 1934 the Diehard or opposition vote on the Indian issue at the Central Council of Conservative Associations rose from below one-third to over three-fifths). Churchill, speaking before the Joint Select Committee on Indian Constitutional Reform in October 1933, and opposing the extension of even the farcical sham "democratic" institutions proposed for India, seizes the opportunity to refer to democratic institutions as "now falling into general disrepute in the Western world." *The Times*, writing of the revolt against Baldwin in the Conservative Party, notes both its anti-democratic line and the possibility of its victory:

> That "Baldwinism" would be followed by some form of "Diehardism"—whether dictatorial or bureaucratic or purely commercial—is hardly open to question if these malcontents were to have their way. They may have it yet. (*Times*, October 17, 1930.)

This development is of especial importance to note because, when the issue comes to a head, it is far from certain that a Churchill or a Lloyd will allow the leadership to pass to a Mosley.*

Similar tendencies and expressions looking more or less openly towards Fascism may be observed among the statesmen and industrialists in the United States and France. Thus Gary, the United States Steel King, declared at the International Chamber of Commerce Congress in 1923 (*Observer*, April 1, 1923):

> We should be the better for a man like Mussolini here too.

* On the other "progressive" wing of the bourgeoisie is worth noting the advocacy of *Liberal Fascism* by H. G. Wells, and G. Bernard Shaw's active agitation on behalf of Fascism, which has led him to be hailed as their patron by the British Fascists (see *The Fascist Week*, February 23–March 1, 1934, on "G.B.S. on the Brink—Will He Ever Wear a Blackshirt?" and the quotation from Shaw in praise of Mosley as the motto of the official book *B.U.F.: Oswald Mosley and British Fascism.*) The older agitation of the Belloc-Chesterton school (against parliamentarism, against financiers, against Marxism, against pacifism, against Jews; for nationalism, for small property, etc.) was fully Fascist in an academic fashion; although the subsequent coming to life of their entire programme with literal exactitude in the Catholic Hitler has not been appreciated by these virulent anti-Prussians.

And the former United States Ambassador to Berlin, J. W. Gerard, declared in praise of Hitler:

> Hitler is doing much for Germany; his unification of the Germans, his destruction of Communism, his training of the young, his creation of a Spartan State animated by patriotism, his curbing of parliamentary government, so unsuited to the German character, his protection of the right of private property are all good; and, after all, what the Germans do in their own territory is their own business, except for one thing—the persecution and practical expulsion of the Jews. (New York *Times*, October 15, 1933.)

Abundant examples could also be quoted from the right wing press in France of an envious admiration of Hitlerism.

If we turn from these gathering tendencies to the specific and organised Fascist movements, it is to be noted that in the recent period direct Fascist movements have rapidly developed to prominence in Britain and France, as well as in the smaller countries, Belgium, Holland, Sweden, Switzerland, etc. In the United States the process of the Roosevelt development is still preparing the ground of Fascism; and the question of direct fascist organisation is still at the time of writing mainly a question of confused tendencies and beginnings, such as the "Silver Shirts," "Khaki Shirts," Ku Klux Klan revival, the Fascist movement of Dennis, etc.; from these tendencies more developed fascist organisation may be expected rapidly to emerge. But the situation in Britain and France is already considerably more advanced; and at the present stage the situation in Britain and France is of crucial importance for the future development of Fascism in the Western imperialist countries.

In France we have already seen how the events of February 1934, leading to the fall of the Daladier Government and the establishment of the Government of National Concentration, have brought the question of Fascism sharply to the front and led to a rapid growth of the Fascist organisations. The situation is complicated in France by the parallel existence of the Royalist "Action Française" and of the newer directly Fascist organisations.

The older "Action Française," with its subsidiary hooligan bands, the "Camelots du Roy," was originally founded in 1898 as a nationalist and anti-semitic organisation, and later became Royalist. With its close connections with right-wing

Conservatism and semi-official protection for its violent and unrestrained agitation, it has considerable strength among the forces of the Right; but it is a rigidly doctrinaire reactionary Royalist body, explicitly separating itself from the principles of Fascism, although closely similar in general outlook and practice, and not accepting its typical social-demagogic technique.

The numerous directly Fascist organisations have not yet coalesced into a single party. The previous attempt to found such a party, the "Faisceau," established by Georges Valois in 1925, was not successful. To-day the principal more or less explicitly Fascist organisations are the "Jeunesses Patriotes," founded by Taittinger in 1924, and the semi-military "Croix de Feu" (nominally an ex-servicemen's organisation, but in fact recruited from all sources), under Colonel de la Roque, founded in 1927 with subsidies from Coty, in its early years numbering only a few thousands, but since the February days claiming 150,000 members. There are also a number of minor organisations and groups, such as the "Mouvement National Populaire" around the "Action Nouvelle." Of the fighting strength of these organisations the Paris correspondent of the *Manchester Guardian* reports:

> The Croix de Feu, the Jeunesses Patriotes, the Action Française and other reactionary organisations have probably not more than 25,000 to 30,000 "fighting members" in Paris. Nevertheless, if this force were armed, it would be sufficiently impressive, though even then it could do little if it had the police and the army against it. But there is just a danger that at the critical moment both the police and the army might be on their side, or at any rate neutral. (*Manchester Guardian Weekly*, March 23, 1934.)

At the same time from the "Socialist" side has developed an organisation, the "Neo-Socialists," or, as they have termed themselves, the "Socialist Party of France," led by Marquet. This group was until the autumn of 1933 a right wing within the Socialist Party; under the influence of the victory of Hitlerism it came forward with a new programme, attacking the old conceptions of internationalism and of the proletarian basis of socialism, insisting on the need to build on the basis of "the nation," and to appeal to the middle class and to "youth," and stressing the necessity of "authority," of the "strong State," of "order," of "discipline," of "action," etc.

Its outlook was thus, although in fact only developing and stating more explicitly the basic social democratic outlook, marked by strong fascist influence; and the development of this tendency was universally recognised as a development towards Fascism. In the autumn of 1933 this group broke away from the French Socialist Party to found the Socialist Party of France; its leader, Marquet, joined the Government of National Concentration on its formation.

In Britain the situation has not yet reached the same degree of intensity as in France; but a fully formed Fascist Party and organisation, even though not yet strong, has been constituted since 1932 in the British Union of Fascists under Mosley. The rival smaller organisations are to-day of minor importance; note may be taken of the markedly anti-semitic Imperial Fascist League, and of the " Greenshirts," originally a currency movement of more or less fascist character, though denying Fascism.

The British Union of Fascists, although not yet necessarily the final form, has to-day established its position for two reasons: firstly and mainly, because of its overwhelming financial support from influential sources, support by the million-tentacled Rothermere Press, etc.; and secondly, because of its historical origin from the heart of the Labour Party and Independent Labour Party, whereas the previous attempts had remained movements purely of retired generals and suburban reactionaries.

The earlier movement of the " British Fascisti " originated in 1923, from the circles around the Duke of Northumberland's journal *The Patriot*, and received its legal recognition from the first Labour Government:

> The legality of their organisation was officially recognised by the late Labour Government by the granting to them of their Articles of Association as " The British Fascisti, Ltd."
>
> (General Blakeney, President of the British Fascisti, in *The Nineteenth Century*, January 1925.)

Brigadier-General R. B. D. Blakeney, its President, had been general manager of the Egyptian State Railways. Its Commander for the London area was Brigadier-General Sir Ormonde Winter, K.B.E., and its Vice-President was Rear-Admiral J. C. Armstrong. (The subsequently attempted United Empire Party, launched with the support of the

Rothermere and Beaverbrook Press in 1930, was equally overweighted with generals: " the Council is almost entirely composed of military officers, and their experience of political matters or organisation is, with two exceptions, negligible, *Morning Post*, September 13, 1930). These earlier would-be fascist organisations had no understanding of the necessary Labour connections and social-demagogic technique of Fascism. The British Fascisti proclaimed in all simplicity the objective " to render practical, and, if necessary, militant defence of His Majesty the King and the Empire." A further circular explaining the role of its two branches, Men's Units and Women's Units, stated:

> In times of peace both branches carry on propaganda, recruiting and counter-revolutionary organisation. Should Revolution or a General Strike be threatened, Men's Units would form the Active Force, and the Women's Units the Auxiliary Force.

It is obvious that on this basis of ingenuous " counter-revolutionary " honesty no mass Fascist movement could be built up. The movement won a certain degree of attention in the period preceding the General Strike, mainly owing to its semi-official police recognition, its members being accepted in certain areas for recruitment into the special constabulary in a body under their own officers. It achieved no political influence, and after the General Strike fell into obscurity.

The first significance of the Mosley movement was its direct origin from within the Labour Party. Mosley, after having been a Conservative Member of Parliament, entered the Labour Party in 1924. On the basis of his great wealth and influential connections, he advanced with an extreme rapidity unattainable to ordinary working-class members of the Labour Party, to a commanding position in that party, which is always notoriously open to the power of money and of bourgeois connections, and where seats are often offered as at an auction to the highest bidder (no less than fifty seats were offered to Mosley in the same year that he joined). Within three years he was elected to the Labour Party Executive in 1927 with a higher vote than Herbert Morrison, and in 1928 was re-elected, polling 2,153,000 votes. He was appointed a Minister of the Labour Government of 1929, and in 1930 resigned on the grounds of its inactivity to deal with unemploy-

ment. As a Minister he had produced the Mosley Memorandum, which was the first outline towards a Fascist policy, that is, an active, openly non-socialist, far-reaching policy of capitalist reconstruction. This policy, not because of its non-socialist character, but because of its active character, was unwelcome to the conservative do-nothing line of the Labour Government, which accordingly sat on it and endeavoured to bury it. Mosley appealed to the Labour Party Conference in 1930 and won 1,046,000 votes against 1,251,000 for the Executive. He was re-elected to the Labour Party Executive, and thus in fact passed straight from the Labour Party Executive to the organisation of his New Party or Fascist Party in 1931.

For the original wider political basis and influence of Mosley (in contrast to the unsuccessful generals of the previous Fascist attempts), and his launching into the front ranks of politics, it is thus necessary to thank the Labour Party and Independent Labour Party, which in this way characteristically performed the role of Social Fascism. While the Communist Party alone from the outset correctly gave warning of the Fascist tendencies implicit in Mosley (which he at first endeavoured to deny), the Left Labour politicians rallied to his support and assisted his campaign. The *New Leader*, the organ of the Independent Labour Party, wrote of the Mosley Memorandum:

> In the main, as is known, his scheme followed I.L.P. lines.
>
> (*New Leader*, October 10, 1930.)

Brockway wrote:

> In the ideas of the I.L.P. Group and the smaller Mosley Group there is a good deal in common. . . .
>
> Before long we may expect to see a revolt by the younger members of all three parties against the methods and spirit of the older generation.
>
> (Brockway, " The Ferment of Ideas," *New Leader*, November 7, 1930.)

The Mosley Manifesto of December 1930, which already formally disclaimed Socialism (" the immediate question is not a question of the ownership, but of the survival of British industry ") and demanded a Dictatorship of Five to carry out an aggressive capitalist programme, was signed by seventeen Labour M.P.'s, including five I.L.P. M.P.'s, together with

A. J. Cook.* When the New Party, the first definite step towards the formation of a Fascist Party, was formed in the spring of 1931, it was formed of six Labour M.P.'s and one Conservative M.P., and made its appeal to "the mass of patriotic men and women who are determined upon action."

The final evolution from the womb of Social Fascism to open Fascism developed in 1931. After the unsuccessful Ashton by-election fight of the New Party in April 1931, writes Strachey (*Menace of Fascism*, p. 161), "Mosley began more and more to use the word Fascism in private." In May 1931, according to the *Daily Express* (May 18, 1931), Mosley at a meeting at the headquarters of the New Party "spoke of the need for discipline: it was generally agreed that there were many lessons to be learned by the New Party from Hitlerism." Major Baker, political secretary of Mosley, in an interview to the same journal declared:

> It is true that the young men who are gathering round us are Oxford students and graduates. They are mostly athletes. . . .
>
> The men around us are in many instances the owners of motor-cars. They will form themselves into flying squads to descend suddenly on a place.

According to the *Daily Herald* (June 6, 1931), a mission, consisting of Major Thompson, D.S.O., and L. J. Cumming (formerly propaganda secretary of the West London Federation of the I.L.P.) was sent to Germany to study the methods of the Nazis. Mosley, *The Times* (March 2, 1931) reported, "has, it is understood, collected a considerable fund—not, of course, from Socialists."

The details of this development are only important as showing in a classically clear form the close connection of Social Fascism and Fascism. The last step in the process took place in 1932 when the Fascist name was openly adopted, and the New Party (as the Communists had prophesied from the outset) was transformed into the British Union of Fascists. The statement of policy, Mosley's *Greater Britain* was issued, which repeats in very summary form the familiar features of Fascist economics

* The names of the seventeen Labour M.P.'s, signatory of the Mosley Manifesto, which became the starting point of British Fascism, were, in addition to Mosley and his wife: Oliver Baldwin, Aneurin Bevan, W. J. Brown, Dr. R. Forgan, J. F. Horrabin, M. Phillips Price, E. J. Strachey, J. Batey, W. G. Cove, J. Lovat Fraser, S. F. Markham, J. McGovern, J. J. McShane, H. T. Muggeridge, and C. J. Simmons.

and politics discussed in previous chapters, with the main stress on the economic policy (" Corporate State," compulsory arbitration, " scientific protection," regulation of production, trade, wages, prices and investments—the old illusions of " planned capitalism "), and with the necessarily unpopular political features of repression smoothed over under vague phrases or even omitted from mention.*

In the autumn of 1932 the Fascist Defence Force was established, and in 1933 Fascist barracks-headquarters, of the type of the Brown Houses in Germany, began to be set up. The growth of violence in 1933 in connection with the " wearing of political uniforms " (i.e., of the Fascists—no Workers' Defence Force as yet exists) was reported as follows by the Home Secretary in Parliament on February 20, 1934:

> The growing danger of public disturbances which the police attribute to the wearing of what may conveniently be called political uniforms is shown by the fact that the Commissioner of Police for the Metropolis reports that for the first six months of 1933 there were in the Metropolitan police district 11 disturbances of a political character attributed to this cause, while in the last six months of the year there have been no less than 22 such disturbances.

In the beginning of 1934 Fascism was endowed with a large-scale Press organisation by the resources of the millionaire Rothermere Press being placed at the service of the British Union of Fascists in order that it might represent

> a well-organised party of the Right ready to take over responsibility for national affairs with the same directness of purpose and energy of method as Hitler and Mussolini have displayed.
>
> (Rothermere in the *Daily Mail*, January 15, 1934.)

The situation by the spring of 1934 was reported as follows by the Government (Lord Feversham's reply on behalf of the Government in the House of Lords on February 28, 1934) :

> The membership of the British Union of Fascists was difficult to

* The penal suppression of strikes under the Corporate State is not mentioned. The violent suppression and dissolution of any form of socialist working-class movement is not mentioned. On the electoral system it is blandly stated (p. 34) that " Such electoral principles (i.e. of the Corporate State) are designed, not to limit the powers of electors, but rather to increase their real power by enabling them to give a well-informed vote," without stating that in fact in Fascist Italy and Germany the electors are presented with a single ready-made list to give their assent to, with no permission of any alternative candidates. But the whole book is marked by the glaring disingenuousness customary to Fascist propaganda before power.

obtain, but the movement was gaining ground. . . . An article which had appeared in the *Daily Mail*, written by the owner, had undoubtedly given it considerable impetus. The exact source from which income was derived to finance these activities was unknown, but it was obvious that substantial financial backing was forthcoming from various sources other than that of the private wealth of the leader and the dues or subscriptions from members.

The policy of the Government was stated to be not to interfere to restrict the growth of Fascism:

> As long as a majority were able, with the assistance or lack of assistance of a Government, to maintain peace and order in this country, it was unnecessary for any great action to be taken to restrict such parties.

It is possible that in the near future, as a result of the widespread mass opposition and indignation over the unchecked growth of Fascism and Fascist violence, a show of measures may be taken by the authorities (as in other countries, as in Germany, as in Italy) purporting to restrict the "private armies" of Fascism. The experience of other countries has shown abundantly that such legal and administrative restrictive measures are always in practice exercised heavily against any working-class self-defence, and only lightly, if at all, against Fascism (e.g., in Germany, rigorous dissolution and disarming of the workers' Red Front, alongside a short nominal ban on the Storm Troops by Brüning, the latter ban being officially raised soon after by von Papen on "patriotic" grounds). Fascism in every country grows by the direct support and connivance of the State authorities, of the higher police authorities and of the bourgeoisie. The battle against Fascism can only be fought, not by illusory trust in legalism, but by the power of the working-class movement.

CHAPTER XII

FASCISM AND SOCIAL REVOLUTION

WHAT is the future of Fascism? What is the future of the fight against Fascism?

Fascism is a historical phenomenon, arising in a concrete historical situation. It is useless to discuss abstractly as in a schoolroom alternative social forms of "Fascism," "Democracy," "Dictatorship," etc., without regard to the actual situation and general line of capitalism in the present period.

Fascism is the outcome of modern capitalism in crisis, of capitalism passing into the period of the proletarian revolution, when it can no longer maintain its power by the old means, but is compelled to resort to ever more violent methods for the suppression of all working-class organisation, and also for the attempted authoritarian economic unification and organisation of its own anarchy, in a last desperate effort to maintain its existence and master the contradictions that are rending it.

More specificially, Fascism is the consequence of the delay of the proletarian revolution in Western and Central Europe in the post-war period, when the whole objective situation calls for the proletarian revolution as the only final solution and ever more visibly raises the issue of the struggle for power, but when the working-class movement is not yet strong enough and ready owing to being disorganised and paralysed by reformism, and thus lets the initiative pass to capitalism. "*Fascism*," as Klara Zetkin declared in 1923, "*is the punishment of the proletariat for failing to carry on the revolution begun in Russia.*" Fascism is the abortion consequent on a miscarriage of the proletarian revolution. But Fascism cannot solve the contradictions or prevent the collapse of capitalism. On the contrary, Fascism carries the contradictions, both within the capitalist world, and between the two worlds since 1917, the capitalist world and the socialist world, to the highest point; Fascism brings an extreme intensification of the class struggle and of the process of revolutionisation.

Fascist tendencies are not peculiar to the countries of completed Fascist dictatorship, to Germany, Austria and Italy, or to Poland, Hungary, etc. Fascist tendencies are common in greater or less degree to all modern capitalism, including Western Europe and America, wherever the process of decay and the advance of the class struggle have reached a certain point, and advance in proportion as working-class resistance is paralysed or weakened by reformism.

1. *The Dialectics of Fascism and Revolution.*

The victory of Fascism in Central Europe, and the advance of Fascist tendencies in Western Europe and America, in 1933-4, represents the highest point yet reached by the Counter-Revolution since the war. But this victory of the Counter-Revolution does not represent the growing strength of capitalism. On the contrary, it is the direct result of the extreme aggravation of the world crisis and of the instability of capitalism, of the shattering of Versailles and all the peace settlements, of the growth of social contradictions and mass discontent, bursting all peaceful and legal forms: that is to say, of the very advance of all the forces which finally make for the victory of the proletarian revolution, since the proletarian revolution alone can solve these contradictions, which Fascism can only intensify.

Capitalism can no longer maintain its power by the old means. The crisis is driving the whole political situation at an accelerating pace. All social and international contradictions are brought to a new and greater sharpness by the successive developments of the crisis of capitalism. All strata of the population are affected by the crisis. The bourgeois regime is driven to ever more desperate expedients to prolong for a while longer its lease of life.

For the decade and a half since the war the bourgeoisie has maintained its power mainly on the basis of Social Democracy as the *governing* instrument to hold in the workers and prevent the working-class revolution. In return for disciplining the workers and preaching myths about "democracy" and the "peaceful path to Socialism," Social Democracy has been given ministerial posts, patronage and pickings. This process of being drawn into the capitalist machine has been held up to the workers as evidence of the gradual, peaceful conquest of

" power " by the working class. How much this " power " was worth, when it came to the test, or rather, where the real power lay, has been abundantly shown by the event in Germany, Austria and elsewhere.

But this system, or particular mechanism of capitalist rule in the post-war crisis, is not eternal—as the Labour leaders, on the flood-tide of Mondism and successive Labour Governments, have fondly hoped. The crisis drives to sharper political issues, to intensified class struggle, to the need of new forms of capitalist rule, to rapid and desperate emergency measures. The basis of widening social reforms and concessions, hastily granted in the post-war period to stave off revolution, and constituting the mechanism of Social Democratic influence and ascendancy in the working class in the Western Imperialist countries, breaks down under the strain of the economic crisis, and gives place to the withdrawal and cutting down of social reforms and increasing attacks upon the workers. With this process a new alignment of political forces develops.

On the one hand, the hold of Social Democracy upon the workers begins to weaken, as shown in its declining numbers, its increasing use of Social Fascist disciplinary measures and violence, and in the growth of Communist influence. In the face of this growing revolutionisation of the workers, the bourgeoisie hastens to act, while there is yet time, before Communism has yet won its visibly approaching majority position in the working class, while the disorganisation of the workers by Social Democracy can still prevent successful resistance, and brings into play the dangerous hazard of Fascism to smash the advance of the working class.

On the other hand, the working class, tied to capitalism by the reformist leadership inherited from the preceding period, is paralysed from being able to play its decisive role as political leader in the developing crisis and draw all the discontented strata of the population under its leadership for the overthrow of capitalism. On the contrary, since there is no standing still, the exact reverse process takes place in the early stages. As the crisis develops, the working class under reformist leadership appears to grow, not stronger, but weaker. The policy of coalition with capitalism has steadily demoralised and sapped the strength of the old working-class organisations, brought

membership lower and lower every year to the lowest point since the war, and destroyed the confidence of the workers in their organisation and leadership. The class struggle goes forward, but in disorganised forms, since the new fighting leadership has not yet won the majority of the working class, and has to fight simultaneously the forces of capitalism and the throttling stranglehold of the reformist machine. In consequence, the working-class forces are weakened and divided at the very moment of the heaviest capitalist attack, not because of the militant workers who remain true to the class struggle, but because of the alliance of the reformist machine with capitalism. This weakening of the workers' forces in the face of the Fascist attack is the price of the path of bourgeois " democracy," of Social Democracy.

At the same time as the organised working-class forces are thus temporarily weakened, the way is opened for alternative forces, which could otherwise play only a subordinate part, to come to the front. The mixed intermediate strata or so-called middle classes, who can play no independent political role, but can only act in practice as the ally of either the working class or capital, come to the front, in proportion as the active role of the working class is weakened. They are sharply affected by the crisis and by all the operations of finance-capital. Their lower strata are the natural ally of the working class in the war on finance-capital. But they see from their point of view the modern parliamentary state as a coalition of Big Capital (" international financiers ") and Labour bosses, with themselves left out, and feel themselves squeezed by ever-increasing taxation for the benefit of big business and the system of social services to the workers, that is, the system of social reformism. Nor can the reformist Labour propaganda, which dare not touch the roots of finance-capital, expose to them the real reasons of their plight, or give them the revolutionary lead for which they are groping, to mobilise them against their real enemy. Thus they become easy prey for the demagogic propaganda of finance-capital to give them a sham " revolutionary " lead, exploiting to the full the weaknesses and corruption of Labourism or Social Democracy, and organise them as a counter-force against the working class, in contradiction to their own interests. Capital is able for the first time to organise, no longer a mere mercenary army for its support, but a

mass movement, built on disgust with Reformism, built out of those intermediate strata and unstable, discontented, disillusioned, working-class elements, against the organised working class. From the ruins and discredit of Reformism Fascism springs.

The old liberal parliamentary-democratic method of maintaining bourgeois rule on a basis of social reforms increasingly breaks down before the realities of the crisis and the sharpening of the class struggle. On all sides the bankruptcy of the old social, economic and political system becomes recognised, and the demand for a complete change of the social system replaces the old cry for reforms. Capitalism has to meet this new situation in which its whole regime begins to be questioned and denounced, no longer only by the few, but by the overwhelming majority of the population, and the call for " socialism " and " revolution " sounds on all sides. An extreme example of this process is revealed in Germany on the eve of Fascism, where in the elections of the summer of 1932 no less than 74 per cent. of the voters gave their votes for parties proclaiming the aim of " socialism," and all the parties which declared their support of capitalism could not win more than a quarter of the electors. In this situation capitalism is only able to save its power for one further lease by the final desperate expedient of staging a sham " revolution " with the nominal aim of " socialism," but in fact designed to maintain its power—the " National Socialist Revolution " or Fascism. The poison, from the point of view of capitalism, of the " revolutionary " and " socialist " propaganda which can to-day alone win a mass hearing, is skilfully rendered harmless by the antidote of the " national " idea.

Thus the final mask of this ultimate masquerade of capitalism staging a " socialist " " revolution " to maintain its power becomes the old " *national* " label. What is the significance of this? Does it mean that the " national " appeal is in fact stronger to the masses than the socialist? Not at all. The Nationalist Party in Germany, on the basis of the pure " national " appeal, could only win two million votes, where, by the skilful addition of " socialism," the " National Socialist " Party could win thirteen millions. But the " national " label becomes the final device for distorting and defeating the meaning of socialism, when the defence of capitalism can no

longer be openly proclaimed. The whole drive of the present situation, as all are increasingly compelled to recognise, is towards the necessity and inevitability of collective social organisation, that is, towards socialism. The "national" principle, on the other hand, represents in reality the rule of a given capitalist grouping, in opposition to other capitalist groupings. *But the "national" principle is falsely presented to appear as the expression of the collective, social principle against private egoism, individualism, capitalism.* In this way the historical movement towards collective social organisation, when it becomes too strong to be any longer directly resisted, is attempted to be distorted from its common, human basis into an exclusive group-assertive basis, which becomes in fact the cover for the maintenance of the rule of the capital class. This is the significance of "National Socialism" or Fascism.

But what is the historical outcome of this process? The advance to Fascism as the final defence means the destruction of legality, not by the revolutionaries, but by the bourgeoisie, and the laying bare to all of the class struggle as a direct conflict of force. In order to hold off the revolution, the bourgeoisie is compelled to play at revolution, and to seek to "outbid the revolution." They are compelled to preach to the masses contempt for peace and legality, which were formerly their best protection. To prevent the working-class revolution, they are compelled to stage their masquerade revolution, and even to dub it a "socialist revolution." The junkers, barons and industrial magnates, in order to maintain their power, are compelled to place themselves at the head of bandit hordes with cries of "Down with Interest-Capital!" "Down with Unearned Income!" "Nationalisation of the Trusts!" "Nationalisation of the Banks!" "Socialisation of all enterprises ripe for socialisation!" etc. The modern Black Hundreds have to proclaim themselves "socialists" and enemies of "capitalism" in order to win a hearing and save capitalism. Such is the measure of the strength of capitalism revealed in the temporary victory of the Fascist Counter-Revolution.

It is manifest that we have here not a strengthening, but in reality and in the final outcome, an extreme weakening of capitalism. The further examination of the development of the fight against Fascism will reveal the inevitable final working out of the dialectics of this process.

2. *The Fight Against Fascism.*

What, then, of the future of the fight against Fascism?

Fascism, it is evident from the above analysis, develops out of the decay of bourgeois democracy and reformism in the conditions of the capitalist crisis. Indeed, Fascism develops in the first place in and through the forms of bourgeois democracy, step by step strengthening the state coercive apparatus and emergency powers and restricting the rights of the workers, in proportion as the workers' resistance is paralysed by reformism and trust in constitutionalism; and only when the ground has been thus fully prepared within the shell of "democracy," and the workers' forces disorganised to the maximum, only then the final blow is struck and the complete and open Fascist dictatorship is established. Germany and Austria are the outstanding examples of this process, where all the preliminary stages for the victory of Fascism were carried through by a Brüning or a Dollfuss in the name of the defence of "the constitution" and with the support of the Social Democratic leadership on this basis.

In consequence, the fight against Fascism cannot be conducted on the basis of trusting to bourgeois "democracy" as the defence against Fascism. To do this means to invite and to guarantee the victory of Fascism. The fight against Fascism can only be conducted on the basis of the united class fight of the workers (leading all the exploited strata) against all the attacks of finance-capital, whether these attacks are conducted through nominal "democratic" forms or through open Fascist forms. The stronger the fight of the workers in the early stages, within the still nominally maintained "democratic" forms, the less easy becomes the advance of the bourgeoisie to the further stages, to the open Fascist forms. Hence the importance of the united working-class front. The strength of the working-class fight is also decisive for winning the wavering petit-bourgeois sections.

The bourgeois democrats and reformists argue that Fascism is the consequence of Communism. "The fear of the dictatorship of the working class has evoked the iron dictatorship of Capitalism and Nationalism. Reaction on the 'Right' has bred reaction on the 'Left.' Reaction of the 'Left' is displaced by triumphant reaction of the 'Right'" (Labour Manifesto on "Democracy versus Dictatorship," March 1933). From

this they draw the conclusion, expressed in many Labour speeches: "To defeat Fascism, root out Communism." This line is expressed in the abstract slogan "Democracy versus Dictatorship," presented without reference to class-relations: that is, in practice, defence of the existing capitalist state (with its increasing Fascist tendencies) against the working-class revolution, under cover of the plea of defence against the Fascist danger.

This line of the Labour Party is also the line of the big bourgeoisie in its present propaganda. Thus the Conservative leader, Baldwin, declared in a speech at Glasgow on June 24, 1932.

> In Europe you find these Communistic methods were tried in Italy. What was the result? Something very near civil war, when the Right beat the Left, and you got a dictatorship, not of the Left, but of the Right. . . .
>
> I say that a dictatorship of no kind will we have in this country, either of the Right or of the Left, at any time.

What is important here is not the glaring travesty of the actual facts: namely, that in Italy the Communists were in a minority, that the Reformist Socialists in Italy were defeated, not because they adopted Communist methods, but because they specifically refused to adopt Communist methods, because they refused to seize power in 1920 when by the admission of all it was theirs for the taking, because they clung to passive parliamentary and industrial strike tactics, and therefore Fascism conquered; and that, finally, the only country where the working class has adopted Communist methods, the Soviet Union, is the only country where Fascism has not been able to show its face. All this has been long demonstrated by history; and the Conservative-plus-Labour propagandists are only hoping to play on the ignorance of their hearers when they thus endeavour to conceal the real facts. But what is here important is the exact unity, even to a literal identity of phrasing, revealed between the line of the Labour Party and the line of the Conservative Party, that is, of the ruling party of the bourgeoisie. This identity should already awaken the alertness of any working-class supporter of the Labour Party to the fact that the line here expressed represents no defence of working-class interests or real fight against Fascism.

The whole dialectics of revolution and counter-revolution, of vital importance for the understanding of the present period,

lies concealed and distorted behind this treatment. The conception of Communism as the cause of Fascism is as shallow in understanding of the real working of social forces as it is illusory in fact. The growth of the working-class revolution (Communism), and the growth of violent capitalist repression, are in reality both equally the consequence and outcome and expression of the growing crisis and break-up of capitalism. They develop as parallel parts of the single process of the gathering revolutionary crisis. To find in one symptom the cause of the other symptom is worthy of the shallowest quack. In fact the example of Austria, where the Communist Party was still very weak and where Social Democracy boasted of the completeness of its control of the working class, has shown how little the bourgeoisie has need of the pretext of Communism to advance to the Fascist dictatorship.

" Before the war," declared Lenin (speech to the All-Russian Conference of the Bolshevik Party in May 1917), " England was the freest country in the world. There was freedom in England because there was no revolutionary movement there." Does this mean that the masses in pre-war England were fortunate because they had no revolutionary movement? On the contrary. The formal " freedom " was only the mirror, the counterpart, of the real subjection. The " freedom " was conditional on the masses accepting passively their servitude and looking only for the crumbs of reforms. But so soon as the workers begin to stir against their servitude and to fight consciously for their liberation, the " freedom " rapidly disappears and gives place to the whip. And that is the meaning of Fascism. Fascism marks the extreme intensification of the capitalist dictatorship and offensive against the working class; but it marks thereby at the same time the growth of capitalist contradictions and the growth of the revolutionary awakening of the working class.

If to-day in England and the other Western countries the traditional " freedoms " are being steadily eaten into and cut down, if police expenditure is trebled since the war and the police are being centralised and militarised, if freedom of agitation and assembly and demonstration is being more and more cut away, if the trade union machine on top is absorbed into unity with capitalism and the State, and the price of criticism of Labour leaders is assessed at seven thousand pounds

by the capitalist courts, all this is only a measure of the awakening of the working class. The awakening of the working class pricks the myth of " freedom " and lays bare the lash of the despot. The degree of violence, the degree of coercion and restriction of rights, the variation of methods between open complete Fascism and partial developing forms of Fascism beneath a decaying " democratic " cover, corresponds to the degree of development of the working class and of the relations of the class struggle. When the British and French labour leaders boast of the supposed immunity of their countries from Fascism (actually, slower development of Fascism), they are only paying tribute to the backwardness of their own movements. But this backwardness is rapidly disappearing.

Does this mean that, so long as the forms of bourgeois democracy remain, bourgeois democracy provides the best defence of the workers against Fascism? On the contrary. The workers fight, and need to fight, tenaciously for every democratic right of organisation and of agitation within the existing regime; but they cannot afford for one moment to be blind to the fact that bourgeois democracy is only a cover for the capitalist dictatorship, and that within its forms the advance to Fascism is steadily pushed forward.

Bourgeois democracy breeds Fascism. Fascism grows organically out of bourgeois democracy. At what point did Dollfuss, " champion of democracy in Europe," become Dollfuss, champion of Fascism? The process developed through such a series of stages that up to the very last Social Democracy was offering alliance to Dollfuss to " save the constitution," at the same time as Dollfuss was proclaiming the complete principles of Fascism and preparing to turn his guns upon the workers. The more the workers place their trust in legalism, in constitutionalism, in bourgeois democracy, the more they make sacrifices to save the existing regime as the " lesser evil " against the menace of Fascism, the heavier become the capitalist attacks and the more rapid the advance to Fascism. To preach confidence in legalism, in constitutionalism, in bourgeois democracy, that is, in the capitalist state, means to invite and to guarantee the victory of Fascism. That is the lesson of Germany and of Austria. And this is the reality which blows to smithereens the deceitful and disastrous slogan of " Democracy versus Dictatorship."

Yet in face of the deadly lessons of Germany and of Austria the British Labour Party leadership and Social Democracy in Western Europe are to-day repeating to the last detail the fatal line of German Social Democracy. All that German Social Democracy and the German trade unions preached and practised, the British Labour Party and the British trade unions are preaching and practising to-day. *How then can they expect the same policy to lead to a different outcome?* They preach up and down the country in favour of democracy and constitutionalism and legality. So did German Social Democracy. They denounce Communism; they refuse the united front; they expel all militant workers; they set up a network of discipline to maintain the safety of their organisations for capitalism. So did German Social Democracy. They are faithful pillars of capitalism and of imperialism. So was German Social Democracy. *They are treading the same road. Only the action of the workers, learning the lessons in time, refusing to follow their teaching, breaking their bans and building up the common front against capitalism, can change the outcome.*

What have they to offer the workers if their policy leads to the same outcome as confronted German Social Democracy? Nothing. What is their answer? They have no answer. Citrine, leader of British trade unionism, speaking at the Trades Union Congress in September 1933, on the situation that confronted German Social Democracy, could only say: " I hope to God we are never put into a similar position. I hope we never have to face that position." And again, with regard to the growth of mass unemployment as the visible " common factor " both in Britain and in Germany.

If that gets worse, I cannot answer for the consequences.

" Hope to God." " Cannot answer." Such is the final lead of British Labourism in the face of Fascism. Of one thing only Citrine is sure. It is impossible to fight. If it comes to a fight, the workers will be beaten.

If we go in for the method of force, we shall be badly beaten.

And again:

If we try to organise by force of arms, we shall be beaten.

" We shall be beaten." " We shall be badly beaten." Such is the litany of defeat before the battle, by which the reformist leaders seek to drill into the workers the sense of their own

impotence. This is the open invitation to capitalism to launch the attack on the workers' organisations; the workers are defenceless and cannot resist; Social Democracy, as the Chairman of the Trades Union Congress declared on the same occasion, is " peaceful, law-abiding, and shrinks from fratricidal conflict," and therefore is inevitably, as he finds, at the mercy of its bloodthirsty enemies:

> One of the tragic lessons of events in Germany was that the enemies of democracy were willing to shed blood to destroy liberty, and did not shrink from murder, arson and lawless action; but Social Democracy was peaceful, law-abiding, and shrank from fratricidal strife.

The very heart of reformism is here laid bare. Capitalism is all-powerful. The workers are powerless against it. The workers must only hope to get what capitalism permits them through the legal forms capitalism permits. Let us cling to what capitalism may grant us through the forms of " democracy " (which were in fact only won by violent struggle) and " hope to God " that, if we are docile, capitalism may not strike us further. Such is the voice of the beaten, trembling slave, which expresses itself as the philosophy of reformism.

Does, then, the advance of Fascism mean the end of all things, that there is no hope for the working-class movement, that there is no hope for the victory of socialism? On the contrary. The poet, William Morris, in his imaginative picture already quoted of the path of the socialist revolution in England (in the chapter " How the Change Came," of *News from Nowhere*), describes how the Government proclaimed martial law and appointed a well-known general who with modern artillery carried through a terrible massacre of thousands of unarmed workers. The following dialogue then ensues between the narrator and his informant, old Hammond:

> I wondered that he should have got so elated about a mere massacre, and I said:
>
> " How fearful! And I suppose that this massacre put an end to the whole revolution for that time? "
>
> " No, no," cried old Hammond, " it began it. . . . That massacre began the civil war."

" *It began the civil war.*" It destroyed the myths and illusions of legality and passive slavery, and laid bare the civil war which, once begun, could only finally end with the victory of the

masses. And that above all is the significance of Fascism. The old poet is a hundred times right against the trembling modern reformists, who solemnly declare that modern artillery and technique have made revolution impossible. Once the myths and illusions of legality and pacifism have fallen, once the united mass of the workers enter into the struggle, with the scales fallen from their eyes, there is no question of the ultimate outcome. The exploiters know this well; hence their anxiety to build up the final rampart of a national-fascist ideology of deception in the masses, alongside the direct violence and coercion; and hence also the importance, on the workers' side, of carrying through the *ideological-political fight of exposure* against Fascism alongside the direct preparation of the mass struggle and final armed struggle.

The example of Austria has shown how much even a courageous minority of the workers, shackled and held back at every point by their reformist leaders, when all the previous favourable opportunities had been squandered and the enemy had been allowed to entrench himself over the whole field before the struggle began, when the great part of the mass organisations of the workers were directly held back from the struggle by their chiefs, could nevertheless accomplish to shake and bring to a critical position the whole Fascist regime and awaken an answering spirit of struggle throughout the whole world. The bands of hundreds of Schutzbundler who fought their way to freedom across the frontier, are reported to have cried out as they reached the other side: "Long live the Soviet Union!" and some "Long live the Communist International!" Their lesson was learned.

How much more will the final outcome of the struggle be certain, when the whole working class will fight as a united force under revolutionary leadership, when Fascism will be weakened and disorganised by its own internal contradictions and by the fiasco of its regime and of its promises, and when disillusionment and discontent and rising sympathy with their fighting working-class brothers will spread through the lower Fascist ranks. Tsarism also fell despite all its machinery of repression. Far more certainly and rapidly will the card-castles of the modern Fascist dictatorships fall, when the time comes.

The laying bare of the civil war at the root of class-society, the explosion of all the illusions of peace and legality—that is, above all,

the historical role of Fascism. Fascism attempts to organise society on the basis of *permanent civil war*, no longer merely with the old state forces, police and military, of repression, but with permanent special armed legions of class-war to hold down the workers. That fact is the most complete expression of the final bankruptcy of capitalism and of the certainty of its collapse. The eyes of all are being opened to the realities of class society and to the real character of the war confronting the working class. The necessity of the workers' dictatorship as the sole means to crush the counter-revolution is becoming understood. The crisis within the post-war Second International since Fascism in Germany is only the expression of this process. As we enter more and more directly into a period of revolutionary conditions, when the working-class movement can only be carried forward by revolutionary methods and under illegal conditions or go under, the will-o'-the-wisp lights of so-called " democratic socialism," that is, of " socialism by permission of the bourgeoisie," inevitably go into eclipse and leave the workers in the bog; only the clear light of revolutionary socialism burns stronger than ever and shows the path forward. The issue becomes more and more clearly no longer even in appearance a question of two tendencies, of two paths for the working-class struggle; in the sight of all, the Communist International alone leads the working-class struggle.

In this situation even the Second International is compelled hypocritically to recognise the necessity of " revolutionary " methods and the " error " of its past policies. German Social Democracy in its latest Executive Manifesto of January 1934, proclaims the " error " of its path in 1918:

> The political transformation of 1918 ended up in a counter-revolutionary development. . . . The Social Democratic Party . . . took over control of the State without opposition, sharing it as a matter of course with the bourgeois parties, the old bureaucracy and even with the reorganised military forces. *That it should have taken over the old machinery of government virtually unchanged was the great historical error committed by a German Labour Movement which had lost its sense of direction during the war.*
>
> (" The Battle of Revolutionary Socialism and its Objective ": Manifesto of the Executive of the German Social Democratic Party, published in the Karlsbad *Neuer Vorwärts*, January 28, 1934.)

"The great historical error." Fifteen years ago the centre of controversy of the Second and Third Internationals, expressed in the controversy of Kautsky and Lenin, turned precisely on this point, when Lenin, with Marx, declared that it was necessary for the workers' revolution, not to take over, but to smash the existing capitalist state machine and establish its own dictatorship instead, and the Second International denied this. Now fifteen years too late, after the harm is done, after the German working class is reduced to the uttermost limit of subjection by their methods, the Second International blandly proclaims that its policy was an "error"—and then proceeds again in fact to recommend the path of bourgeois democracy, "the new organisation of the State on the basis of freedom by the convening of a National Assembly elected by universal, equal, direct and secret suffrage." Once again, despite all the attempts to make a show of a great "change of heart," this is in reality the old Weimar path. But the German workers have had their experience of the Weimar path and its outcome and have no intention to repeat it.

Similarly, the Second International in its Paris Resolution of August 1933, on "The Strategy and Tactics of the International Labour Movement during the Period of Fascist Reaction," admits the necessity of "revolutionary struggle" *after* Fascism:

> Where the bourgeoisie has renounced democracy in order to throw itself into the arms of Fascism and has deprived the working class of the democratic means of struggle, the only means of emancipation left is that of the revolutionary struggle. . . .
>
> In the countries in which Fascism has prevailed, the dictatorship can only be overthrown by a revolution of the people. When they have gained their victory over Fascism, the revolutionary forces will not confine themselves to breaking its power; they will destroy the great capitalist and landowning forces which are its economic foundation.

By this declaration the whole line of the 1918 Revolution, of Weimar democracy, is implicitly condemned. In the controversy of those days between Kautsky and Lenin, between the line that the revolutionary working class in the moment of victorious overthrow of the old regime must confine itself to setting up "pure" democracy and then await a majority in the Constituent Assembly or Parliament before proceeding further, and the line that the revolutionary working class in

the moment of victory must at once use its power, without waiting for parliamentary majorities, to overthrow capitalism, the Second International is now compelled, fifteen years late, in a half-hidden unclear fashion, to admit that Lenin was right. The revolutionary working class, it is now declared, in the moment of overthrow of the old regime must at once, without waiting for Constituent Assemblies or parliamentary majorities, proceed to "destroy the great capitalist and landowning forces." Excellent. If this were seriously meant, it would mean the workers' dictatorship. But in fact this phrase—thrown in as a sop because in relation to Germany to-day it would be impossible openly to advocate the return to the completely exposed Weimar democracy—is used as a fine-sounding phrase without any attempt to face what it practically involves, and is made completely meaningless by the rest of the resolution. Further—notable precaution—it is to be applied only to countries where Fascism has already conquered.

What, therefore, does this line mean in practice? First, the working class must let itself be bull-dosed by democracy, paralysed and divided by reformism, smashed and butchered by Fascism. Then, when their forces have been thus heavily broken up and weakened, when Fascism has completely organised and established without resistance its apparatus of armed pretorian guards over the disarmed workers, then the workers are graciously permitted by the Second International to carry through the socialist revolution (though if there were the slightest signs appearing of their succeeding in this, these gentlemen, as the Karlsbad Manifesto of German Social Democracy has made clear, would be the first to hurry forward to wave again the banner of "pure democracy" and thus endeavour again to save the bourgeoisie as in 1918). But where "democracy" still exists, the workers must still tread the fatal path of "pure democracy," abstaining from any revolutionary initiative, until Fascism has conquered them. Such are the final confusions and contortions of the leadership of the Second International in the present epoch. It is abundantly clear that Social Democracy by this line is in fact only disorganising the working-class fight against Fascism, and thus in practice still fulfils its role, also in the countries of open Fascist dictatorship, of the support of the bourgeoisie in the working class.

Against this line the revolutionary working class line of

Communism declares: The workers' dictatorship is the *only alternative* to the capitalist dictatorship, which at present is increasingly passing from the older "democratic" to Fascist forms. The workers' dictatorship is the *only guarantee* against the victory of Fascism, against the victory of the capitalist counter-revolution and the unlimited subjection of the working class. The path of bourgeois democracy ends in Fascism. The battle for the workers' dictatorship must be fought, not merely after Fascism, but *before Fascism*, as the sole means to prevent Fascism. Social Democracy says: First Fascism, then Revolution. But Communism says: *Revolution before Fascism, and preventing Fascism. Fascism is not inevitable.* Fascism only becomes inevitable if the working class follows the line of reformism, of trust in the capitalist state, of refusal of the united front, and thus lets itself be struck down by the class enemy. But if the working class follows the line of the united front, of the rising mass struggle, of the building of its Communist Party and fighting mass organisation to the final victory of the revolution and establishment of the workers' dictatorship, then the working class can defeat and crush Fascism and pass straight to the socialist order with no costly and shameful Fascist interlude. This is the path to defeat Fascism.

Equally in those countries where the Fascist dictatorship has won the temporary upper hand, the only path forward and object of the workers' struggle requires to be, no longer the restoration of the old illusory "democracy" which only prepared the way for Fascism, but the workers' dictatorship and the establishment of the Soviet regime. The German working-class revolution is not defeated, despite the temporary retreat of 1933 made inevitable by the whole role of Social Democracy. On the contrary, Germany is nearer to the final victory of the proletarian revolution than any country in the capitalist world. The fact that the German workers are going through the extremest hell of Fascism is the reflection of the fact, not that their movement is more backward, but that it is relatively more advanced and closer to the revolution.

The liberals and reformists see only the surface completeness of the Fascist victory. They can never understand the dialectical process. They see the immediate victory of Fascism. But they do not see the negative side. They do not see the disintegration of all capitalist stability that that represents. They do

not see that the very ferocity of the capitalist attack is the measure of the growing revolutionary advance. They do not see the significance of the crushing exposure of the line of reformism and laying bare of the real battle. They do not see that the Communist Party of Germany—with unbroken ranks and organisation, and over one hundred thousand members active under the most extreme terror, a record without parallel in working-class history—is in reality stronger than it has ever been, closer to the winning of the unquestioned leadership of the majority of the working class, closer to the victory of the proletarian revolution.

The mournful pessimists and fainthearts who see a long period of Fascist dictatorship and unshaken reaction in front do not understand the whole character of the present period of the destruction of capitalist stability, a period in which rapid changes throughout the world and gigantic revolutionary struggles are before us.

The bourgeoisie dream through Fascism to exterminate Marxism, that is, to exterminate the independent working-class movement and the fight for Socialism. The attempt is not a new one. A hundred years ago " all the Powers of old Europe have entered into a holy alliance to exorcise the spectre of Communism: Pope and Czar, Metternich and Guizot, French Radicals and German police-spies." The collapse of 1848 was heralded as the collapse of Socialism. In the decade after the Commune, on the basis of thirty thousand corpses, Thiers boasted that " we have heard the last of Socialism." In the following decade Bismarck set himself to stamp out Marxism in Germany with all the power of the most highly organised Prussian police and bureaucratic system, and after twelve years had to recognise that he had met his master. Down the long gallery of the years the ghosts of the past, Cavaignac and Gallifet, Thiers and Bismarck, Pobiedonostsev and Stolypin, Kornilov and Kolchak, the hangmen and butchers and jailers of bourgeois rule, may welcome with a spectral sneer the new accessions to their ranks, Hitler and Goering and Goebbels, taking their place alongside Horthy and Tsankov and Dyer and Chiang Kai-shek.

But the older attempts were against a still early and newly rising movement. To-day the attempt is against a powerful and developed movement on the eve of power. That it will fail

like every previous attempt and end in ignominious collapse requires no demonstration.

> Wherever, in whatever shape, and under whatever conditions the class struggle obtains any consistency, it is but natural that members of our Association should stand in the foreground. The soil out of which it grows is modern society itself. It cannot be stamped out by any amount of carnage. To stamp it out, the Government would have to stamp out the despotism of capital over labour—the condition of their own parasitical existence.
>
> (Marx, *Civil War in France*.)

What is in question now is not the inevitable future collapse of Fascism. What matters now is the *speed* with which the international working class can gather its forces and drive back this offensive, before it has developed further, before it has developed to the point of world war and the direct attack on the Soviet Union, can prevent the enormous losses and sacrifices which a prolongation of this struggle will mean, and can rapidly transform the present situation into the revolutionary offensive.

The issues which are confronting the world at the present moment are heavy issues. Fascism in Germany lays bare to all where capitalist civilisation is inevitably developing, *if* the workers' revolution is delayed. Germany is not a backward country. Germany is the most advanced, highly organised capitalist country in the world, the last word, which shows to other countries the picture of their future development.

What is that picture of the future of capitalism thus revealed? Barbarism and the return of the Dark Ages; the systematic destruction of all science and culture; the enthronement of Catholic Christian, and even pre-Christian, obscurantism, racial persecution and torture systems; the return to a system of isolated, self-sufficient warring communities. This is the final working out of the most advanced capitalism, with the Pope conferring his blessing upon it and decorating the murderer Goering with his Gold Medal of the Holy Year.

Marx and Engels long ago pointed out the inevitable working out of capitalism in barbarism and decay, if the working-class revolution should fail to conquer in time. Stage by stage, through imperialism and its world orgies of brutality and destruction, through the slaughter of the world war, and to-day through Fascism, we are tasting the first beginnings of this alternative.

It is time to end this chapter of human history, before we have to tread this path still further, and to open the new one throughout the world which has already begun over one-sixth of the world. Only the working-class revolution can save humanity, can carry humanity forward, can organise the enormous powers of production that lie ready to hand.

The working-class movement in the first period after the war was not yet ready outside Russia for its world historic task. The organised working-class movement was still soaked with reformist and pacifist illusions, with opportunism and corruption in its upper strata. Fascism is not only the punishment of history for this weakness; *Fascism is the weapon of history for purging and burning out this weakness.* In the fires of Fascist terror and of the fight against Fascism the revolutionary working class is drawing close its ranks, steeled and hardened and clear-seeing, for the final struggle; and the revolutionary working class, thus steeled and strengthened, will rise to the height of its task, and win and save the world.

Whatever the black hells of suffering and destruction that have still to be passed through, we face the future with the certainty and confidence of approaching power, with contempt for the barbarous antics of the doomed and decaying parasite-class enemy and its final misshapen progeny of Fascism, with singing hearts and glowing confidence in the future. "*The last fight let us face. The Internationale unites the human race.*"

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